

Washington, Friday, December 12, 1947

TITLE 3—THE PRESIDENT PROCLAMATION 2761

BILL OF RIGHTS DAY, 1947

BY THE PRESIDENT OF THE UNITED STATES OF ALIERICA

A PROCLAMIATION

WHEREAS the first ten amendments to the Constitution of the United States, cherished in our history as the Bill of Rights, became effective on December 15, 1791, and

15, 1791, and
WHEREAS the anniversary of the adoption of this hallowed declaration of our liberties affords a fitting occasion for rededication to its inspired and lofty principles; and

WHEREAS the Government of the United States has proposed the incorporation of these essential freedoms in a Declaration of Human Rights for all the peoples of the world:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, do hereby designate December 15, 1947, as Bill of Rights Day; and I call upon the officials of the Government and upon-all citizens of the United States to observe that day by displaying the flag of the United States on public and private buildings and on homes, and by meeting together for appropriate ceremonies.

Since to comprehend and value our liberties is the first condition of remaining free, I urge the people of the Nation to reexamine and to reflect upon the provisions of our Constitution which secure our freedom under law—particularly the guarantees of freedom of religion, speech, the press, and assembly, as well as the pledges of fair trial and of security against unreasonable searches and seizures, and against the deprivation of life, liberty, or property without due process of law.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this tenth day of December in the year of

our Lord nineteen hundred and [SEAL] forty-seven, and of the Independence of the United States of America the one hundred and seventy-second.

HARRY S. TRUMAN

By the President:

ROBERT A. LOVETT,
Acting Sceretary of State.

[F. R. Dec. 47-16394; Filed, Dec. 10, 1847; 4:45 p. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

LISTS OF FOSITIONS EXCEPTED; NAVY DEPARTMENT

Under authority of section 6.1 (a) of Executive Order 9830 and at the request of the Department of the Navy, the Commission has determined that certain positions of student trainess in Naval chipyards should be excepted from the competitive service. Effective upon publication in the Federal Register, § 6.4 (a) (5) is therefore amended by the addition of a subdivision numbered (iii).

§ 6.4 Lists of positions excepted from the competitive service—(a) Schedule A. • • •

(5) Navy Department • • •

(ix) Student trainers in Naval shipyards, whose salaries shall not aggregate more than \$500 a year. Only bone fide students engaged in the study of naval architecture shall be eligible for appointment under this subdivision. Employment under this subdivision shall not exceed 90 working days a year.

(Sec. 6.1 (a) E. O. 9830, Feb. 24, 1947, 12 F. R. 1259)

United States Civil Service Commission,

[SEAL] H. B. MITCHELL,
President.

[F. R. Dec. 47-16925; Filed, Dec. 11, 1947; 8:48 a. m.]

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TITLE 7—AGRICULTURE

Chapter VIII-Production and Marketing Administration (Sugar Branch)

PART 802—SUGAR DETERMINATIONS

NORMAL YIELDS OF COLLIERCIALLY RECOVER-ABLE SUGAR PER ACRE AND ELIGIBILITY FOR PAYMENT WITH RESPECT TO ABANDONMENT AND CROP DEFICIENCY FOR SUGARCANE FARMS IN FLORIDA FOR 1947 AND SUBSE-QUENT CROP YEARS

Pursuant to the provisions of section 303 of the Sugar Act of 1937, as amended, the following determination is hereby issued:

- § 802.45a Normal yields of commercially recoverable sugar per acre and eligibility for payment with respect to abandonment and crop deficiency for sugarcane farms in Florida—(a) Normal yield calculation. The normal yield of commercially recoverable sugar per acre for any farm in Florida on which sugarcane is grown and marketed (or processed by the producer) for the extraction of sugar shall be:
- (1) If sugarcane for sugar was harvested on the farm in all three of the crop years 1944, 1945, and 1946, the weighted average number of hundredweights of commercially recoverable sugar per acre of sugarcane harvested on the farm and marketed (or processed by the producer) for the extraction of sugar in all three of such crop years (as shown by data on applications for payment under the Mainland sugarcane programs)
- (2) If sugarcane for sugar was not harvested on the farm in all three of the crop years 1944, 1945, and 1946, the weighted average number of hundredweights of commercially recoverable sugar per acre of sugarcane harvested and marketed (or processed by the producer) for the extraction of sugar in all three of such crop years (as shown by data on applications for payment under the Mainland sugarcane programs) on farms in the vicinity from which sugarcane was so harvested and marketed in all three of such crop years.
- (3) If a farm is reconstituted (by combination or subdivision) the normal yield for such reconstituted farm shall be the weighted average number of hundredweights of commercially recoverable sugar per acre obtained in the manner specified below by combining the normal yields of the farms or parts of

farms before the reconstitution. The normal yield for each such part is to be identical with the normal yield for the farm of which it was a part, determined in accordance with subparagraphs (1) or (2) of this paragraph, whichever is applicable.

(i) For each farm or part of a farm before the reconstitution, multiply the number of proportionate share acres or planted acres (whichever is smaller) for the crop year immediately preceding the time of the reconstitution, as shown by data on the applicable sugarcane farm work sheets, by the normal yield of hundredweights of commercially recoverable sugar per acre therefor.

(ii) Total the number of hundredweights of sugar obtained under subdivision (i) of this subparagraph.

(iii) Divide the result obtained under subdivision (ii) of this subparagraph by the total number of proportionate share acres or planted acres (whichever is applicable) of the reconstituted farm.

(b) Eligibility for abandonment and deficiency payments. The County Agricultural Conservation Committee shall approve for abandonment and deficiency payments any farm located in a county or local producing area, as defined herein, in which actual yields of commercially recoverable sugar from the sugarcane for farms comprising 10 percent or more of the sugarcane acreage of all farms in such county or local producing area, were not in excess of 80 percent of the normal yields therefor: Provided, That (1) such acreage abandonment or crop deficiency was directly due to drought, flood, storm, freeze, disease or insects, (2) the acres that were abandoned or the acres with respect to which there was a crop deficiency were suitable for the production of sugarcane and were cared for up to the time of harvest or abandonment, as the case may be, in a manner which could have been expected under average conditions to produce a normal crop of sugarcane, and (3) the other conditions for payment specified in Title III of the said act with respect to the farm have been met. Such approval on the application for payment by a member of the County Agricultural Conservation Committee on behalf of such committee shall constitute determination that such farm is eligible for abandonment and deficiency, payments.

(c) Definitions. (1) A "local producing area" shall be all contiguous farms which are similar with respect to types of soil or with respect to topography, as determined by the Agricultural Conservation Committee for the county in which the farm is located: Provided, however, That farms separated from other farms by any natural barrier or large areas of land shall not be included within the same local producing area.

(2) "Farms in the vicinity" means all adjoining farms; except that if sugarcane for sugar was produced on less than three of such farms during each of the bace years, farms in the vicinity means the three nearest farms on which sugarcane was so produced.

This determination supersedes the determination of "Normal Yield of Commercially Recoverable Sugar Pcr Acre and Eligibility for Payment with Respect to Abandonment and Crop Deficiency for Farms in the Mainland Cane Sugar Area (Revised) " issued August 28, 1945 (10 F. R. 11104) insofar as it relates to the 1947 and subsequent crop years in Florida.

(Sec. 303, 50 Stat. 911: 7 U. S. C. 1133) Issued this 8th day of December 1947.

[STAL]

N. E. Dodd. Acting Secretary.

[P. R. Doc. 47-10910; Filed, Dec. 11, 1947; 8:49 a. m.]

TITLE 10-ARMY

Subtitle A—Organization, Functions and Procedures of the Department of the Army

PART 2-ORGANIZATION, FUNCTIONS AND PROCEDURES OF AGENCIES DEALING WITH THE PUBLIC

GHARTERIASTER GERRYAL

Paragraphs (c) and (i) of § 2.164 (11 F. R. 177A-797) are superseded by the following:

§ 2.164 Organization. • • • (c) Fiscal Division. (1) Directs the compilation of all estimates for appropriations for the Quartermaster Corps, and arranges for their justification before higher echelons.

(2) Supervises the distribution and administration of funds appropriated and made available to the Quartermaster

(3) Prepares and issues instructions relating to fiscal, cost and property accounting policies and procedures within the Quartermaster Corps.

(4) Supervises accounting procedures and audits fiscal and cost records in field installations.

(5) Supervises processing of commercial accounts for payments in field in-

stallations. (6) Supervises procedures relating to the sale and pricing of Quartermaster

Corps property.

(7) Maintains liaison with Budget Officer for the Department of the Army, General Staff, United States Army, Chief of Finance, and other Government departments and agencies on all fiscal, cost and property accounting matters.

(8) Maintains fiscal accounts for all funds administered by The Quartermaster General.

Prepares fiscal reports required. (10) Prepares cost accounting reports

required. (11) Processes reimbursement trans-

actions for the Quartermaster Corps. (12) Analyzes and processes requests for advance payments to contractors.

(13) Collects amounts due from contractors under renegotiation and royalty adjustment agreements.

(i) Food Service Division. (1) Inspects Food Service facilities throughout the Army and renders such reports and recommendations as may be necessary.

(2) Prepares for publication in Department of the Army orders such recommendations as will improve Food Service throughout the Army.

(3) Prepares suitable plans, in collaboration with the Chief, Personnel and Training Division, for the training of Food Service Personnel.

(4) Establishes and maintains effective liaison with civilian food consultants.

(5) Collates, evaluates, and acts on such recommendations as the civilian food consultants may from time to time render.

(6) Prepares directives, policy letters, and informative material relating to all phases of the Food Service Program for submission to higher headquarters for approved.

(7) Recommends policies, procedures and methods for the promotion of food conservation and the proper preparation of foods at all feeding facilities con-

ducted by or for the Army.

(8) Recommends policies, procedures, standards and methods for the operation of pastry bakeries, meat cutting plants, fat rendering plants and for the utilization of refrigerated space for the storage or transportation of subsistence.

(9) Institutes technical surveys of food service activities and recommends corrective action when necessary for the

improvement of Food Service.

(10) Furnishes technical advice and assistance to The Surgeon General in connection with the organization and operation of facilities for patient feeding in hospitals, hospital trains, hospital ships, and the conservation, preparation, and service of food at such facilities.

(11) Recommends policies, procedures, standards and methods for the conduct of troop train feeding, and feeding on vessels owned or bare boated, or allocated

to the Army.

(12) Maintains liaison with and renders assistance in food service activities to the Department of the Army and other governmental agencies.

(13) In collaboration with Military Planning Division, standardizes new Food Service equipment and improves

existing equipment.

- (14) Maintains a staff of officer and civilian specialists who will advise and recommend policies, methods and standards governing the Army Food Service program and related facilities in the Zone of Interior and in overseas Theaters and Departments.
- and Departments.
 (15) Furnishes Technical advice on publicity in collaboration with Technical Information Branch.
- (16) Coordinates all matters pertaining to the Food Service Program with other interested Divisions in the Office of The Quartermaster General.
- (17) Prepares Master Menus for the Army.
- (18) Prepares, reviews, and analyzes ration scales for the Army, in collaboration with Supply Division. Recommends necessary adjustments in ration scales. Incorporates information gained from the field in current menu planning.
- (19) Administers operation of a Test Kitchen conducting tests on new food items, developing new recipes, and devising methods of calculating nutritional adequacy of rations,

(20) Furnishes technical assistance in preparation and installation of layout plans for messing equipment.

(21) Maintains up to date records of the status of all phases of the Armywide Food Service Program.

(Sec. 3, 60 Stat. 238; 5 U.S. C. Sup. 1002)

[SEAL]

EDWARD F WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 47-10908; Filed, Dec. 11, 1947; 8:49 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 239—FORMS PRESCRIBED UNDER THE SECURITIES ACT OF 1933

FORMS FOR REGISTRATION STATEMENTS

Note: An amendment to Form S-3 (17 CFR 239.13) adding a new Instruction 9, has been filed with the Division of the Federal Register as F. R. Doc. 47-288 (N.P.) on December 11, 1947, at 8:50 a.m.

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 2—ADJUDICATION: VETERANS' CLAIMS

PART 3—Adjudication: Disallowance and Awards

MISCELLANEOUS AMENDMENTS

1. Sections 2.1075 and 2.1076 are amended to read as follows:

§ 2.1075 Preliminary action by authorization unit. (a) Upon receipt of an original application for disability compensation, or pension in the adjudication division, it will be referred to the authorization unit for review and development in accordance with established procedure. All reasonable assistance will be extended a claimant in the prosecution of his claim and all sources from which information may be elicited should be thoroughly developed prior to the submission of the case to the rating board. The application of this policy should not be highly technical and rigid. It is incumbent upon the claimant to establish his case in accordance with the law. Every legitimate assistance will be rendered a claimant in obtaining any benefit to which he is entitled and he will be given every opportunity to substantiate his claim. Information and advice to claimants will be complete and will be given in words that the average man can understand.

(b) The authorization unit will determine whether there exists a statutory or regulatory bar to entitlement prior to the presentation of the case to the rating board. In making determinations as to line of duty or wilful misconduct other than as to specific diseases and their sequelae, the responsible personnel of the authorization unit will be guided by the general policy of resolving all reasonable doubts in favor of the claimant.

(

(48 Stat. 8, 58 Stat. 752, 59 Stat. 623; 38 U. S. C. 701)

§ 2.1076 Original examinations for disability compensation or pension. In original claims for disability compensation or pension, either for peacetime or wartime service, service-connected or otherwise, an examination will not be authorized unless and until evidence is of record, either from the service departments, or in the form of afildavits, indicating the reasonable probability of a valid claim. If, after the development of the case, it is indicated that probability of a valid claim exists, an examination may be requested. Where the claimant appears in person and preliminary inquiry establishes the reasonable probability of a valid claim, an immediate physical examination may be requested. (§ 35.01 of this chapter.) Where claim is filed within six months from date of discharge, it will be rated initially on the records of the service department unless it would appear that error might result from such rating. In making examinations first priority is to be accorded pending cases filed more than six months after discharge and in those wherein it is impossible to rate upon service records. (See § 2.1185.) (48 Stat 8, 38 U. S. C. 701)

2. In § 2.1080, paragraph (a) is amended to read as follows:

§ 2.1080 Service connection for chronic diseases. (a) Under § 35.011 (a) (3) of this chapter, pursuant to Public No. 2, 73d Congress, or under Public No. 141, 73d Congress, a chronic disease becoming manifest to a degree of ten percent or more within one year from the date of separation from active wartime service or within one year after the date prior to which a disability must have been incurred as provided in § 35.01 of this chapter, or Public No. 141, 73d Congress, whichever is the earlier, will be considered as having been incurred in service when the conditions specified in § 35.011 (a) (3) of this chapter, or Public No. 141, 73d Congress, are met. The factual basis may be established by medical evidence, competent lay evidence, or both. Medical evidence should set forth the physical findings Medical evidence and symtomatology elicited by examination within, the one year period; and lay evidence should not merely contain conclusions based upon opinion, but describe the material and relevant facts as to the veteran's disability observed during such period. Where there is affirmative evidence to show that the chronic disorder is due to an intercurrent disease or injury suffered between the date of separation from active serv-ice and the onset of the chronic disorder, service connection under this section will not be accorded. When service connection is established subsequent manifestations of the same chronic disease, unless clearly attributable to intercurrent causes, at no matter how remote a date, are service-connected. This rule does not mean that any manifestation of joint pain, any abnormality of heart action or heart sounds, any urinary findings of casts, or any cough, in service, will permit service connection of

arthritis, disease of the heart, nephritis, or pulmonary disease, first shown as a clear-cut clinical entity at some later date. For the showing of chronic disease in service there is required a combination of manifestations sufficient to identify the disease entity and sufficient observation to establish chronicity at the time, not merely isolated findings or diagnosis including the word "chronic." When the etiological identity is perfect. as leprosy, tuberculosis, syphilis, etc., there is no requirement of evidentiary showing of continuity. Continuity of symptomatology is required only where the condition noted during service is not in fact shown to be chronic or where the diagnosis of chronicity may be legitimately questioned. When the fact of chronicity during service is not, in the opinion of the adjudicating agency, adequately supported, then there may be reason to require some showing of continuity after discharge to support the claim. Hospital confirmation of such diagnoses made after discharge from service is not routinely required; however, the veteran may well be held at the regional office, hospital or center for recheck on the following day, particularly for recheck of blood pressure, urmalysis, and further laboratory procedures, if in order. When hospitalization is required it should not be longer than absolutely necessary for confirmation of the diag-

3. Section 2.1086 is amended to read as follows:

§ 2.1086 Chronic diseases under Public No. 2,73d Congress. The service connection of chronic diseases under § 35.01 of this chapter, pursuant to Public No. 2, 73d Congress, is restricted to the followmg:

Anemia, primary. Arteriosclerosis. Arthritis.

Cardiovascular-renal disease, including hypertension (this term applies to combination involvements of the type of arteriosclerosis, nephritis and organic heart disease, and since hypertension is an early symptom long preceding the development of those diseases in their more obvious forms, a disabling hypertension within the one-year period will be given the same benefit of service connection as any of the chronic diseases listed).

Diabetes mellitus.

Encephalitis lethargica residuals.

Endocarditis (this term is intended to cover all forms of valvular heart disease).

Endocrinopathies.

Epilepsies. Hodgkin's disease. Leukemia.

Leprosy.

Myocarditis.

Nephritis (nephrolithiasis is not a chronic disease within the meaning of this section but with a properly diagnosed nephritis, shown within one year from the date of discharge from service or the date prior to which a disability must have been incurred as provided in § 35.01 of this chapter, whichever is the earlier, a coexisting or subsequently developing nephrolithiasis may be considered as a part of the same condition).

Organic diseases of the nervous system (this term is intended to include the same disabilities as those listed on pages 110 and 111 of the Schedule for Rating Disabilities,

1945 Edition, as organic discass of the central nervous system and reciduals of these diseases).

Thromboanglitis Obliterans (Buerger's Disease) (effective September 26, 1947). Tuberculosis, active.

Tumors, malignant, or of the brain. Osteitis deformans (Paget's Diceace).

Paychones.

No conditions other than those listed above will be considered chronic diseases except upon approval by the Administrator of Veterans' Affairs. For the purposes of determining the existence of a ten percent degree of active tuberculosis within one year of discharge, or the date prior to which a disability must have been insurred as provided in § 35.01 of this chapter, whichever is the earlier, active pulmonary tuberculosis diagnosticated by approved methods during the second year will be held to have preexisted the diagnosis six months in minimal (incipient) cases; nine months in moderately advanced cases; and twelve months in far advanced cases. (48 Stat. 8; 38 U.S.C. 701)

4. Section 2.1087 is canceled.

§ 2.1087 Service connection for chronic constitutional diseases under Public No. 141, 73d Congress. [Canceled September 26, 1947.]

5. Sections 2.1090 and 2.1093 are amended to read as follows:

§ 2.1090 Presumptive service connection for neuropsychiatric diseases. Where it is shown thy reports of physical examination, or acceptable medical or lay affidavits) that disability from neuropsychiatric disease, spinal meningitis, paralysis agitans, or encephalitis lethargica existed to a ten percent degree or more, in accordance with the Schedule for Rating Disabilities 1945 Edition, prior to January 1, 1925, and where evidence does not show clearly and unmistakably that such disability had its inception prior or subsequent to the period of active military or naval service, a rating will be made that the disability from neuropsychiatric disease, spinal meningitis, paralysis agitans, or encephalitis lethargica is presumed to have been incurred in military service in accordance with the terms of second proviso of section 200 of the World War Veterans' Act. 1924, as amended, as reenacted by Title III, Public No. 141, 73d Congress; Provided, That the veteran had active military or naval service between April 6, 1917 and November 11, 1913, inclusive, or prior to April 2, 1920, with the United States military forces in Russia. Rebuttal of the presumption will be in order where there is clear and convincing evidence that the disability arose from intercurrent trauma, organic disease not itself connected with service, or intercurrent infection arising subsequent to discharge and not as a result of military service. (See also § 2.1089.) (46 Stat. 995, 48 Stat. 524, 60 Stat. 319; 38 U.S. C. 471,

§ 2.1093 Presumptive service connection for amoebic dysentery. Where it is shown (by a report of physical examination, or acceptable medical or lay affidavits) that a veteran had amoebic dysentery developing a ten percent degree of disability or more prior to January 1, 1925, in accordance with the Schedule for Rating Disabilities, 1945 Edition, and where it is not shown by clear and unmistaliable evidence that such disability was incurred prior to or subsequent to enlistment or acceptance into active military or naval service, a rating will be made that the amosbic dysentery is presumed to have been incurred in service. (46 Stat. 995, 48 Stat. 524, 60 Stat. 319; 38 U.S. C. 471, 722)

6. A new § 2.1095 is added:

§ 2.1035 Service connection for gastrie or duodenal ulcer (peptic ulcer) under Public No. 2, 73d Congress. (a) Effective February 8, 1947, wartime service connection is in order under Public Law 2, 73d Congress, as amended, for gastric or duodenal ulcer (peptic ulcer) diagnosed subsequent to wartime service, if the following requirements are met:

- (1) The veteran had wartime service of 90 days or more;
- (2) The evidence, including medical principles, does not show inception of the ulcer prior to wartime service:
- (3) (1) The ulcer was properly diagnosticated within six months from the date of termination of active wartime service; or.
- (ii) The ulcer was properly diagnosticated more than six months but within one year from the date of termination of active wartime service, with satisfactory evidence of continuity of characteristic symptoms during the first six months after termination of active wartime serv-
- (b) A proper diagnosis of gastric or duodenal ulcer (peptic ulcer) is to be considered established if it represents a medically sound interpretation of sufficient clinical findings warranting such diagnosis and provides an adequate basis for a differential diagnosis from other conditions with like symptomatology; in short, where the preponderance of evidence indicates gastric or duodenal ulcer (peptic ulcer) Whenever possible, of course, laboratory findings should be used in corroboration of the clinical data.
- (c) In a case where the record of the service department or other competent evidence shows the manifestation of symptomatology of a gastric or duodenal ulcer (peptic ulcer) during service, and the nonexistence thereof prior to such service, it is, of course, unnecessary to resort to the application of the criteria herein contained for the purpose of establishing service connection.
- (d) The criteria herein contained do not apply to a case in which the evidence shows that the ulcer pre-existed service or became manifest more than one year after termination of active wartime service. Such cases are to be handled in the same manner as claims for service connection for other conditions.
- 7. Section 2.1036 is amended to read as

§ 2.1036 Presumptive service connection for active tuberculosis. Where an active tuberculous disease of ten percent degree or more in accordance with the

Schedule for Rating Disabilities, 1945 Edition, is shown to have developed prior to January 1, 1925, such active tuberculous disease will be considered as incident to service in accordance with the second proviso of section 200 of the World War Veterans' Act, 1924, as amended, as reenacted under Title III, Public No. 141, 73d Congress: Provided, That the claimant had active military or naval service between April 6, 1917, and November 11, 1918, inclusive, or prior to April 2, 1920, with the United States military forces in Russia. (See § 2.1089.) (46 Stat. 995, 48 Stat. 524, 60 Stat. 319; 38 U. S. C. 471, 471a)

- 8. Section 2.1100 is canceled.
- § 2.1100 Natural progress under §§ 35.011 and 35.012 of this chapter [Canceled September 26, 1947.]
 - 9. A new § 2.1102 is added:
- § 2.1102 Wartime service connection for malaria and chronic diseases characteristically tropical in origin. Conditions which may be considered under paragraphs (b) (2) and (3) of this section are restricted to the following: amebic dysentery: bacillary dysentery: filariasis (Bancroft's type) leishmaniasis, including kala-azar; schistosomiasis; trypanosomiasis; yaws; and malaria.

(b) Wartime service connection for the above enumerated conditions may

be granted where:

(1) There is available an official record of the presence of the disease during wartime service, without clear and unmistakable evidence, including medical principles, of the existence of the disease

prior to such service.

- (2) Such chronic disease is shown by proper diagnosis, made within one year from date of termination of active wartime service, in cases of veterans who had such service in the tropics, or in a locality having a high incidence of the disease under consideration, and the record is without evidence of inception prior or subsequent to war service: Provided, That residence during the year following this service was not in the tropics or in a region where the particular disease is endemic.
- (3) A notation was made at discharge of a history of the presence of the disease during wartime service, in cases of veterans who had such service in the tropics or in an area having incidence of the particular disease, and the history is not negatived by evidence of inception prior or subsequent to war service: provided the claim is filed within one year from date of discharge.
- (c) In making a determination under paragraphs (b) (2) or (3) of this section, allowing service connection for any of these conditions other than malaria, it is necessary that the condition under consideration be shown to have been properly diagnosed on Veterans' Administration examination.
- 10. In § 2.1105, paragraph (a) is amended to read as follows:
- § 2.1105 Service connection. * * *
- (a) When a period of six months or over of continuous active service, during a wartime enlistment which began prior

to November 12, 1918, or prior to April 2. 1920, for persons who served with the United States military forces in Russia, or which began on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, or before 12 o'clock noon, December 31, 1946, is shown, service connection may be considered as having been established under the World War Veterans' Act, 1924, as amended, reenacted by Public No. 141, 73d Congress, or § 35.011 (a) (1) of this chapter, as amended, for World War II service, for any dental disability except such as were recorded at time of enlistment subnect to the provisions of § 2.1107 (a) existed prior thereto, or otherwise rebutted. shown to have existed within a year from date of discharge from those periods of service. If the claimant was or is discharged after July 2, 1921, or after the date of termination of World War II the one-year period for the establishment of such service connection will begin on July 2, 1921, or the date of termination of World War II. Service connection will not be considered as having been established when the evidence clearly shows that the disabilities or conditions existed or were recorded at the time of enlistment subject to the provisions of § 2.1107 (a) or originated subsequent to discharge from causes not related to service. (48 Stat. 8, 524, 50 Stat. 661, 38 U.S. C. 424a, 701, 722)

- 11. Section 2.1108 is amended to read as follows:
- § 2,1108 Adjudication of application for dental treatment. A formal application by or in behalf of a veteran is not required where claim is made for dental treatment only. Whenever an application for dental treatment is received, the application will be forwarded by the responsible medical activity to the adjudication officer, field office, or chief, claims division, veterans claims service, central office, where an official request for active service data will be prepared and forwarded in accordance with existing procedure. When the service data are received, the claim will be considered by the rating board for determination of service connection. The ratings in such cases will be made upon the regular rating sheets.
 - 12. Section 2.1109 is canceled.
- § 2.1109 Period of presumption. [Canceled September 26, 1947.1
- 13. Section 2.1110 is amended to read as follows:
- § 2.1110 Severance of service connection in dental cases. When service connection for a dental condition, compensable or noncompensable, is considered clearly and unmistakably erroneous. the procedure provided in § 2.1009 (a) will be for application. (48 Stat. 9; 38 v. s. c. 707)
- 14. In § 2.1121, paragraph (a) is amended to read as follows:
- § 2.1121 Compensation for disability or death the result of training, hospitalization, or medical or surgical treatment under section 31, Title III, Public No. 141, 73d Congress, the result of examina-

tions under section 12, Public No. 866, 76th Congress, or the result of training under § 35.017 (d) of this chapter, as amended. For the purposes of the sections referred to:

- (a) Where any veteran suffers or has suffered a disease or an injury, or the aggravation of any existing disease or injury as the result of training, hospitalization, or medical or surgical treatment, awarded under any of the laws granting monetary or other benefits to World War veterans, or as the result of having submitted to examination under authority of any of the laws granting monetary or other benefits to World War veterans, and not the result of his wilful misconduct, when such disease, injury or aggravation results in additional disability to or the death of such veteran, the benefits of Public No. 2, as amended, Public No. 78 and Public No. 141, 73d Congress, will be awarded in the same manner as if such disability, aggravation or death was service connected within the meaning of such laws. The benefits of this section will be in lieu of the benefits, if payable, under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended.
- 15. Sections 2.1123 and 2.1124 are amended to read as follows:
- § 2.1123 Initial determinations and adjudicative action under section 31, Public No. 141, 73d Congress, as amended by section 12, Public No. 866, 76th Congress, and under § 35.017 (d) of this chapter as amended. Disability compensation will be payable only when it is determined (1) that there is additional disability, and (2) that such additional disability resulted from disease or injury or an aggravation of an existing disease or injury suffered as the result of training, hospitalization, medical or surgical treatment, or examination under authority of any of the laws granting monetary or other benefits to World War veterans. The following principles will be observed:
- (a) The determination that additional disability exists will be based upon a comparison of the beneficiary's physical condition immediately prior to the disease or injury on which the claim for compensation is based, with the subsequent physical condition resulting from the disease or injury. Where it is determined that there is additional disability resulting from a disease or injury or an aggravation of an existing disease or injury suffered as the result of training. hospitalization, medical or surgical treatment, or examination, compensation will be payable only for the additional disability in accordance with the terms of the effective Schedules of Disability Ratings, the terms of the General Law (act of July 14, 1862) where service was prior to April 21, 1898, and the terms of the various service pension acts. This comparison will be made separately for each body part involved. As applied to medical or surgical treatment, the physical condition prior to the disease or injury will be the condition which the specific medical or surgical treatment

was designed to relieve; as applied to examinations, the physical condition prior to the disease or injury will be the condition at time of beginning the physical examination as a result of which the disease or injury was sustained.

(b) In determining whether such additional disability results from a disease or an injury or an aggravation of an existing disease or injury suffered as the result of training, hospitalization, medical or surgical treatment or examination, the following considerations will govern:

(1) It will be necessary to show that the additional disability is actually the result of such disease or injury or an aggravation of an existing disease or injury and not merely coincidental therewith.

(2) Compensation will not be payable for the continuance or natural progress of diseases or injuries for which the training, or hospitalization, etc., was authorized.

(3) The mere fact that aggravation occurred will not suffice to make the adtional disability compensable in the absence of proof that it resulted from disease or injury or an aggravation of an existing disease or injury suffered as the

result of training, or hospitalization, etc.

(4) Compensation is not payable for either the usual or the unusual after-results of approved medical care properly administered, in the absence of a showing that the disability proximately resulted through carelessness, accident, negligence, lack of proper skill, error in judgment, etc. The question as to what is an accident, for the purpose of determing entitlement to benefits under section 31, Public No. 141, 73d Congress, as amended by section 12, Public No. 366, 76th Congress, and under § 35.017 (d) of this chapter, as amended, is one

agencies.
(5) Compensation will not be payable for the residuals of medical care or treatment given outside of a Government hospital or clinic unless such medical care or treatment was specifically authorized under one of the acts referred to in these sections, or unless it is held to be adjunct treatment in connection with other treatment specifically au-

for determination by the adjudicating

thorized.

(6) The claimant's wilful misconduct or failure to follow instructions in connection with training, hospitalization, medical or surgical treatment, or examination, will bar him from the receipt of compensation hereunder except in the case of incompetent claimants. (48 Stat. 526, 57 Stat. 43, 60 Stat. 524; 38 U. S. C. and Sup. 501a, 701)

§ 2.1124 Combination of ratings under section 31, Public No. 141, 73d Congress, as amended by section 12, Public No. 866, 76th Congress, and under § 35.017 (d) of this chapter as amended. Where two or more disabilities exist, including the disability determinable under section 31, Public No. 141, 73d Congress, section 12, Public No. 866, 76th Congress, or § 35.017 (d) of this chapter, as amended, the several disabilities will be evaluated under the Schedule of Disability Ratings, 1945, and combined. For the purpose of section 31, section 12

and § 35.017 (d) of this chapter, as amended, ratings will not be combined with ratings for diseases or injuries not due to service. Consequently, where benefits are currently payable for a nonservice-connected disability and benefits are found payable under section 31, section 12 or § 35.017 (d) of this chapter, payments under these sections will not be authorized unless it is a greater benefit. Where a veteran with wartime service has suffered a compensable disability and a service-connected compensable disability due to war or peacetime service, the evaluation of disability will be combined. (48 Stat. 526, 57 Stat. 43, 60 Stat. 319, 524; 38 U.S. C. and Sup. 501a,

16. Section 2.1130 is amended to read as follows:

§ 2.1130 Statutory award for loss of use of creative organ. Under the last paragraph of section 202 (3) of the World War Veterans' Act, as amended July 3, 1930, as reenacted by Public No. 141, 73d Congress, any veteran shown to have suffered the loss of the use of a creative organ as the result of an injury received in the active service in line of duty between April 6, 1917, and November 11, 1918, shall be entitled to a statutory award of \$30 per month, independently of any other compensation which may be payable under said act: Provided, however, That if such disability was incurred while the veteran was cerving with the United States military forces in Russia, the dates herein stated shall extend from April 6, 1917, to April 1, 1920. This statutory award shall be payable from the date the loss of the use of the creative organ is shown to exist, subject to the provisions of § 35.021 of this chapter, and when payable shall be added to any other compensation payable to the veteran. (48 Stat. 9, 54 Stat. 1196, 60 Stat. 908; 38 U. S. C. 473a, 707.)

17. In § 2.1131, paragraphs (b) and (f) are amended to read as follows:

§ 2.1131 Principles for determining entitlement to the statutory award for loss of use of a creative organ. The following principles governing a rating as to entitlement to the statutory award provided by section 202 (3), World War Veterans' Act, 1924, as amended July 3, 1930, as reenacted by Public No. 141, 73d Congress, for the "loss of use of a creative organ" will be observed:

(b) The loss being apparent or the loss of use having been properly demonstrated, the additional statutory award of \$30 monthly will be authorized when it is established by the official records of the service departments or other competent evidence that the loss or loss of use is the result of trauma incurred in the line of duty in the military service between the specified dates or had its inception in and therefore is directly attributable to disease incurred in the line of duty in the military service within the dates specified: Provided, however, That the statutory award will not be granted when the antecedent disease is service connected by statutory presumption.

(f) Cases wherein there is uncartainty as to whether the veteran is entitled to the statutory award for the loss or loss of use of a creative organ, and all cases of women veterans where this question is involved, will be submitted to the director, claims service, branch office for determination. (60 Stat. 903)

18. Section 2.1132 is amended to read as follows:

§ 2.1132 Payment of statutory award of \$60 per month for arrested tubereulosts. Under the third paragraph of section 202 (7) World War Veterans' Act, 1924, as amended July 2, 1926, as re-enacted by Public No. 141, 73d Congress, any veteran having had a service-connected active tuberculous disease of compensable degree, which has reached a condition of complete arrest, whose aggregate disabilities, including that resulting from tuberculosis, evaluated in percentage terms in accordance with the Schedule for Rating Disabilities, 1945 Edition, entitle him to a monthly award of compensation of less than \$60, shall be entitled to a statutory award of not less than 860 per month as compensation in full for all disabilities including that resulting from tuberculosis. However, for any period during which the veteran's dicabilities, including that resulting from the tuberculous disease, evaluated in accordance with the Schedule for Rating Dicabilities, 1945 Edition, entitled him to an aggregate award of \$60 or more per month, the provisions of this section regarding the statutory award for arrested tuberculosis will be met by awarding the veteran the amount determined in accordance with the schedule and extensions thereto. (44 Stat. 794, 48 Stat. 524, 60 Stat. 319, 803; 38 U.S. C. 471a, 450)

19. In § 2.1133, paragraphs (a) and (b) are amended to read as follows:

§ 2.1133 Effect of diagnoses of active tuberculosis. (a) Service department diagnoses of active pulmonary tuberculosis will be accepted unless, after considering all the evidence including that favoring or opposing tuberculosis, and favoring or opposing activity, a heard of medical examiners or the chief medical officer certify that such diagnoses were incorrect. Doubtful cases may be referred to the branch medical director, in field cases or to the chief medical director in central office cases.

(b) Diagnoses of active pulmonary tuberculosis by the medical authorities of the Veterans' Administration as the result of examination, observation or treatment, will be accepted for rating purposes. Reference to the chief medical officer will be in order in questionable cases and if necessary to the branch medical director in field cases or to the chief medical director in central office cases.

20. In § 2.1135, paragraph (c) is amended to read as follows:

§ 2.1135 Determination of arrest in tuberculosis.

(c) Service connection of disability predicated upon a diagnosis of active tuberculosis by the service departments and consequent statutory awards and ratings in effect March 19, 1933, are entitled to the protection afforded under sections 27 and 28, Public No. 141, 73d Congress, and Public Law No. 458, 79th Congress. (60 Stat. 319)

21. Section 2.1136 is amended to read as follows:

§ 2.1136 Rating of arrest in non-pulmonary tuberculosis. Disabilities in different body parts or organs resulting from arrested tuberculosis will be separately evaluated and combined for rating purposes in accordance with the Schedule of Disability Ratings, 1945 and Extensions thereto. The rating of disability from non-pulmonary forms of arrested tuberculosis will be in accordance with the terms of the Schedule of Disability Ratings, 1945, and Extensions thereto, as applied to resulting ankylosis. limitations of motion of joints, degree of fixation or angulation of the vertebral column, etc. Where, by surgical intervention, it has been possible completely to extirpate a tuberculous focus, as in nephrectomy, adenectomy, orchidectomy, amputation of a part, etc., leaving no other tuberculous focus, the rating and statutory award of not less than \$60 per month for arrested tuberculosis will be applicable in accordance with the foregoing, subject to the provisions of § 3.1225 of this chapter. (60 Stat. 319, 908)

22. Section 2.1141 is amended to read as follows:

§ 2.1141 Use of 1925 and 1945 rating schedules. (a) The Schedule for Rating Disabilities, 1945, applies to disabilities for which service connection is granted or continued under § 35.01 of this chapter including wartime and peacetime service connection, or Public No. 141, 73d Congress, or where there is entitlement to consideration under § 35.013 of this chapter, as amended by § 35.01 of this chapter and to disabilities considered as service connected under section 31, Title III, Public No. 141, 73d Congress, section 12, Public No. 366, 76th Congress, and § 35.017 (d) of this chapter, as amended.

(b) Ratings under the Schedule of Disability Ratings, 1925, in effect April 1, 1946, will be continued in the absence of change in the physical or mental condition of the veteran: Provided, That if there is increase in the severity of the condition, the rating in effect on April 1, 1946, under the 1925 Schedule will not be reduced and that statutory awards and ratings under the World War Veterans' Act, 1924, as amended, reenacted by Public No. 141, 73d Congress will be granted or continued.

(c) When one and not the other of the two schedules applies, only the rating of the applicable rating schedule will be cited. When both apply, concurrent ratings are required under both schedules, with separate evaluations under a single diagnosis and rating code. (R. S. 471, 43 Stat. 608, 618, 46 Stat. 1016, 48 Stat. 9, 54 Stat. 1197, 60 Stat. 319; 38 U. S. C. 2, 11, 11a, 428, 473-480, 483-491)

23. In § 2.1142, paragraphs (a) and (b) are amended to read as follows:

§ 2.1142 Special action where evaluations provided under the rating schedule. 1945, are considered inadequate or excessive. (a) Exceptional cases to which the application of the 1945 schedule is not understood, or with regard to which evaluation under this schedule is considered inadequate or excessive, may be submitted by the adjudication officer for advisory opinion or for reevaluation to the director, claims service, branch office. He will return the case with appropriate instructions if he finds that provisions of the schedule have not been properly applied or that proper development has not been accomplished, or will forward the case to assistant administrator for claims, attention: director, veterans claims service, central office. Severe disabilities considered total, but for which current procedure does not authorize a total rating, questionable special monthly pension cases, and questionable doubletotal and permanent disability cases will be similarly submitted. Where total disability is claimed and a submission hereunder is contemplated a VA Form 8-527, Employment Affidavit, will be obtained and other indicated development of the evidence accomplished prior to the release of the records by the custodial office. The submission in any case comprehended by this section will include the case file, a recent medical examination. and definite recommendation from the submitting agency concerning evaluation of every disability, under the schedule as interpreted by the submitting and concerning agency. schedular changes deemed advisable by reason of the particular situation encountered. However, cases will not be withdrawn from appellate channels for submission under this section, except as the board of appeals may join in reference of such cases with their recommendation. (§35.03 of this chapter.)

(b) Rating agencies are authorized to assign total disability ratings under § 35.011 or § 35.012 of this chapter, as authorized by paragraph 16, page 5, 1945 Rating Schedule, in cases of veterans under forty years of age when the disability or disabilities are the residuals of actual injury or acute disease episode of a character such as to have produced actual total disability without evidence of regained ability to follow a substantialy gainful occupation. Employment as a member employee, or similar employment other than in Veterans' Administration centers obtainable only in competition with disabled individuals, will not be considered as evidence of employability. When the disability or disabilities are not the residuals of actual injury or acute disease episode the case will be referred to the assistant administrator for claims, attention: director, veterans claims service. (60 Stat. 319)

24. Sections 2.1143, 2.1144, 2.1145 and 2.1146 are canceled.

§ 2.1143 Protected ratings, 1925 Schedule. [Canceled September 26, 1947.]

§ 2.1144 Determination of permanance. [Canceled September 26, 1947.]

§ 2.1145 Use of 1933 or 1945 Schedule for remedial conditions. [Canceled September 26, 1947.]

§ 2.1146 Original occupational determinations, 1925 Schedule. [Canceled September 26, 1947.]

25. Sections 2.1148, 2.1149 and 2.1150 are amended as follows:

§ 2.1148 Effective dates of evaluations, 1945 Schedule, in original ratings. The Schedule for Rating Disabilities. 1945 edition, is the only schedule applicable for the evaluation of disability on or after April 1, 1946, except when a statutory award or rating under the World War Veterans' Act, 1924, as amended, as restored by Public No. 141, 73d Congress, as amended, is in order, in which event the statutory award or rating will be continued or made in the manner provided for initial ratings. In initial ratings the effective dates of evaluations under the 1945 schedule will be: (1) The dates following the date of discharge from active service or the date evidence shows entitlement, whichever is later, if the claim is filed within one year from date of discharge, for periods both prior and subsequent to April 1, 1946; (2) The date of receipt of claim or the date evidence shows entitlement, whichever is later, if the claim was not filed within one year from date of discharge. Initial rating is defined as the first rating made in a case in which determination as to entitlement to disability compensation or pension for any disability under Public No. 2, 73d Congress, and the regulations issued pursuant thereto, as amended, has not heretofore been made. This definition includes those service-connected cases initially rated on or after April 1, 1946, either compensable or noncompensable, in which the 1945 schedule was not applied.

(b) In other than initial ratings all ratings as the result of the review required by the second sentence, section 1, Public Law 458, 79th Congress: Date following date of discharge, date evidence shows entitlement, or April 1, 1946, whichever is later, if claim was filed within one year from date of discharge from active service; ratings for periods prior to April 1, 1946, will be under the 1925 or 1933 schedules; date of receipt of claim, date evidence shows entitlement, or April 1, 1946, whichever is later, if claim was not filed within one year from date of discharge: ratings for periods prior to April 1, 1946, will be under the 1925 and 1933 schedules.

(c) The provisions of Public Law 458, 79th Congress, do not preclude change from a temporary rating in effect April 1, 1946, under the 1925 schedule to a permanent rating under the same schedule without change affecting the degree of disability.

(d) When service connection, World War II, is granted under § 35.011 (a) (3) of this chapter, the effective date of evaluation of disability will be determined as above outlined, except when claim is filed more than a year from date of discharge, the effective date of the evaluation of disability will be shown as of a date within the year from date of discharge. (60 Stat. 319)

§ 2.1149 Effective dates of evaluation, 1945 Schedules, in claims for increase. (a) Evaluations under the 1945 schedule and extensions in claims for increase, will be effective from the date of the receipt of the evidence, i. e., affidavits of physicians or other evidence submitted by the veteran showing an additional disability, or an increase in the condition for which he is receiving compensation; or the date of the official report of physical examination made in a Veterans' Administration hospital, or by a designated examiner in connection with compensation, pension, or treatment pursuant to proper authority. The effective date of the evaluation will not, however, necessarily control award action. (See § 3.1216 of this chapter.)

(b) Increase due solely to Public No. 458, 79th Congress. Increased ratings due solely to the application of the 1945 schedule in the cases reviewed, should be effective from April 1, 1946, if the case was initially rated prior to April 1, 1946; otherwise as provided in § 2.1148 (a). (60 Stat. 319)

§ 2.1150 General principles as to effective disability evaluations under the schedule for rating disabilities, 1945 edition. Within the limits mentioned in §§ 2.1148 and 2.1149, the question of evaluating disabilities based on applications for monetary benefits must be determined on the facts in the individual case for consideration. If the disability is static in nature and the information in connection therewith furnished in the VA Form 8-526 or in the service records (claim filed within one year from date of discharge) is substantiated by a subsequent examination, the percentage evaluations in accordance with the terms of the rating schedule will be applicable from the date of claim or date following date of discharge. Where the disease or injury is not static in nature but is disclosed on examination within such a reasonable time after the filing of the claim or date of discharge from service (claim filed within one year from date of discharge) that the exercise of sound medical judgment would permit a determination that the condition was existent at the time the claim was filed, or at the time of discharge, the effective date of the evaluations assigned in accordance with the terms of the rating schedule will be the date of claim or the date following the date of discharge. Accordingly, when in the exercise of sound medical judgment the evidence is considered sufficient to establish an evaluation of the disability from the date of application, original or for increase, or date of discharge from the service (claim filed within one year of discharge) an appropriate rating will be made and payments authorized effective from the date of application, or date of discharge, if otherwise in order. (48 Stat. 9, 57 Stat. 554; 38 U. S. C. 707)

26. In § 2.1155, paragraphs (a) (b) (d) (e) and (f) are amended to read as follows:

§ 2.1155 Combined ratings. (a) When there are two or more ratable disabilities, combined ratings, following the tables

and rules prescribed in the 1945 schedule are authorized.

(b) Under § 35.04 of this chapter, a combined rating under the 1945 schedule is authorized as between ratings for one or more disabilities resulting from wartime service and ratings for one or more disabilities resulting from peacetime service.

(d) Pursuant to section 202 (15), World War Veterans' Act, 1924, as amended, reenacted by Public No. 141, 73d Congress, a veteran of World War I, as defined by Public No. 141, 73d Congress, suffering from a disability of compensable degree connected with World War I service, who is entitled to compensation for a service-connected disability by reason of other military or naval service, is entitled to the evaluation and combination of his compensable service-connected disabilities in accordance with the Schedule for Rating Disabilities, 1945 edition: Provided, however. That in the absence of a change in the severity of the condition previously evaluated under the 1925 schedule, these evaluations will be continued and the greater benefit awarded.

(e) The statutory allowance provided by section 202 (3) World War Veterans' Act, 1924, as amended, and reenacted by Public No. 141, 73d Congress, even though predicated upon a "no percent" rating under the 1925 Schedule of Disability Ratings, may be added to the compensation payable for disability incurred in World War II and paid as one award.

(f) Where there is doubt as to whether a veteran, who served during a war period and a peacetime enlistment, is entitled to combination and payment at wartime rates because of disabilities connected with peacetime service, or there is doubt as to the manner of combination, the case will be submitted to the director, claims service, branch office, for review and appropriate advice. (69 Stat.

27. Sections 2.1156, 2.1157 and 2.1150 are amended to read as follows:

§ 2.1156 Special combination ratings, 1945 Schedule. Whenever a veteran is suffering from two or more separate permanent disabilities of such character as clearly to interfere with his normal cmployability, even though none of the disabilities may be of compensable degree under the 1945 schedule, the rating agency is authorized to apply a ten percent rating, but not in combination with any other rating. In instances of this character where there is a service-connected wartime disability and also a service-connected peacetime disability, the evaluation will be made under §§ 35.011 and 35.014 of this chapter. (60 Stat. 319)

§ 2.1157 Separate combined ratings, direct and presumptive. Where the rating involves both direct and statutory presumptive service-connections, under Title III, Public No. 141, 73d Congress, two combined ratings under the 1945 schedule will be entered, one showing the evaluation of all directly service-connected diseases or injuries, and the

other covering all directly and presumptively cervice-connected diseases or injuries. (60 Stat. 319)

§ 2.1153 Rating of noncompensable disabilities under 1945 Schedule. For the purpose of the 1945 schedule, a disability under any diagnostic classification which does not meet the minimum rating schedule standard under that classification will be rated as no percent, except for purposes of Civil Service preference, in which event an evaluation of less than ten percent may be made. (60 Stat. 319)

28. In § 2.1159, paragraphs (a) and (c) are amended to read as follows:

§ 2.1159 Rating of disabilities aggrarated by active service. (a) In cases involving aggravation by active service, the rating will reflect only the degree of disability over and above the degree einsting at the time of entrance into the active service, whether the particular condition was noted at the time of entrance into the active service, or is determined upon the evidence of record to have existed at that time. It is nececcary, therefore, in all cases of this character to deduct from the present dearee of disability the degree, if ascertainable, of the disability existing at the time of entrance into active service, in terms of the 1945 schedule, except that if the disability is total (100 percent) no deduction will be made. The resulting difference will be recorded on the rating sheet. If the degree of disability at the time of entrance into the service is not ascertainable in terms of the schedule, no deduction will be made. * .

(c) The special monthly compensation or statutory allowance are payable whether the injury or disease basically was incurred in or aggravated by active service. (60 Stat. 319, 524)

29. Section 2.1165 is amended to read as follows:

§ 2.1165 Statutory permanent and total ratings under the World War Veterans' Act, 1924, as amended, as remstated by section 28, Public No. 141, 73d Congress. Disability from an injury or disease will be rated as permanent total under the following conditions:

(a) Statutory. Statutory permanent total ratings are authorized by section 202, World War Veterans' Act, 1924, as amended, and as reinstated by section 28, Public No. 141, 73d Congress by reason of "Loss of the use of both feet, or both hands, or of both eyes, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or the organic loss of speech, or becoming permanently helpless or permanently helpless or permanently helpless of speech will mean the loss of the ability to express oneself, both by voice and whisper, because of organic changes in the organs involved. (C) Stat. 319)

30. In § 2.1168, paragraphs (c) and (e) are amended to read as follows:

§ 2.1166 Total disability ratings under Public No. 2, 73d Congress, and the 1945 Schedule.

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(c) Other provisions relative to total disability ratings are contained in the 1945 schedule.

- (e) With actual progressive deterioration of the vision, so that the disabled person becomes blind in both eyes, or so nearly klind as to qualify under the 1945 schedule a permanent and total rating will not be withheld, notwithstanding that the underlying diagnosis is a congenital defect, provided the other requirements for the benefit are met. It is to be borne in mind that the essential requirement in this regard is actual reduction of the vision, so that the person, formerly able to see well, or fairly well. has become, as a result of physical changes, occupationally blind. (60 Stat.
- 31. In § 2.1173, paragraphs (a) and (e) (2) are amended to read as follows:
- § 2.1173 Determinations of incompetency or competency. (a) Rating agencies are authorized to pass upon the mental condition and degree of disability of claimants in accordance with paragraph (B) section 1, Public Law 662, 79th Congress.

(e) * * *

(2) If the veteran upon discharge from the service is not admitted to a Veterans' Administration hospital or center or other institution for treatment of mental diseases, the case will be rated upon the records of the service department. If upon application of the rule stated in paragraph (e) (1) of this section the rating agency concludes the veteran is incompetent he will be so rated and the case will be referred to the chief attorney as provided by Veterans' Administration Claims procedure and § 20.5200 of this chapter. The chief attorney will proceed to develop information as to the veteran's social, economic and industrial adjustment since discharge from the service, pursuant to the procedure set forth in Veterans' Administration Medical procedure. Upon review of the evidence thus developed if the chief attorney concurs in the rating of incompetency he will proceed to effect the appointment of a fiduciary or, if the veteran is married, to recommend release of payments to the veteran's wife as provided in § 20.5201 (a) of this chapter. If the chief attorney determines that the veteran is sufficiently competent to administer the funds payable, the evidence will be referred to the rating agency with a statement as to his conclusion, the evidence will be reevaluated, the veteran will be rated competent and a rating commensurate with the degree of disability assigned. If upon review of the complete evidence it is found that the evaluation previously assigned may be confirmed during any given period the rating will reflect this fact and will also include an evaluation commensurate with the degree of disability from the date improvement is shown by the evidence. The award will be executed in accordance with the rerating. If, however, it is determined from a review of the evidence that the evaluation previously assigned may not be confirmed,

the rerating will reflect an evaluation commensurate with the degree of disablement retroactively effective from the appropriate beginning date and the award executed accordingly. Reexaminations will not be routinely required in connection with the above described procedure, but may be called for if in the opinion of the rating agency such action is clearly necessary. In the case of a veteran suffering from mental disability who is being or has been discharged from a hospital subsequent to his release from service and is rated incompetent following the rule stated in paragraph (e) (1) of this section, the instructions contained in this paragraph will be followed. The provisions of this subparagraph are applicable to all veterans having mental disabilities. Stat. 908)

- 32. In § 2.1176, paragraphs (b) and (c) are amended to read as follows:
- § 2.1176 Determination of need for nurse or attendant or regular aid and attendance under Public No. 141, 73d Congress, § 35.01 of this chapter Public No. 2, 73d Congress, and the laws reenacted by Public No. 269, 74th Congress, as amended.
- (b) Determinations that the veteran is so helpless, solely by reason of serviceconnected compensable diseases or injuries as to Publics Nos. 2 and 141, 73d Congress, or without regard to service connection under the laws reenacted by Public No. 269, 74th Congress, as amended, as to be in need of a nurse or attendant or regular aid and attendance will not be based solely upon an opinion that the claimant's condition is such as would require him to be in bed. They must be based on the actual requirement of personal assistance from others. If the claimant is able to be out of bed and can walk around entirely unassisted by others he cannot generally be regarded as meeting the requirements of the law and regulations; however, the other enumerated types of personal assistance must be considered.
- (c) The above contemplates a person totally disabled and in need of a nurse or attendant, under the World War Veterans' Act, 1924, as amended, as reenacted by Public No. 141, 73d Congress, or regular aid and attendance, under § 35.01 of this chapter, as amended, or the laws reenacted by Public No. 269, 74th Congress, as amended. The rates for regular aid and attendance in § 35.01 of this chapter, as amended, or laws reenacted by Public No. 269, 74th Congress, as amended, are not to be added to any other rate provided therein. (60 Stat.
- 33. Section 2.1185 is amended to read as follows:
- § 2.1185 Reexaminations for disability rating purposes. (a) Reexaminations will be requested in cases in which it is indicated by evidence of record that there has been a material décrease in disability since the last examination, and in cases where there is evidence, pertinent to the individual case, that the disability is likely to improve materially in the future. The disability of a veteran,

resulting from a tuberculous disease, will be rerated upon the basis of a physical reexamination held six weeks prior to the expiration of the six months period or the three years period of a temporary total rating granted under the conditions enumerated in sections 202 (2) and 202 (3) of the World War Veterans' Act, 1924, as amended, as reenacted by Public No. 141, 73d Congress.

(b) Scheduled future examinations for compensation purposes in service-connected cases under Public No. 2, 73d Congress, or Public No. 141, 73d Congress, will not be requested following initial examination by the Veterans' Administration in static disability cases or when the lesions and symptoms have been shown to have persisted at approximately the same level by two examinations at least five years apart.

- (c) (1) In World War II cases future requests for examination will be made, first, in "convalescent rating from date of discharge" cases under the revised, 1945, rating schedule, in six months; second, in cases rated fifty percent or more which are likely to improve, generally, in from one to two years: third. in all other cases, including static disabilities in from two to five years, depending on the percentage rating, the highest rated earliest. It is not intended that a second examination be authorized in a case involving only static disability, found to be such on the first examination by the Veterans' Administration. Examinations scheduled for future dates may be rescheduled earlier if the facilities permit. Second and later examinations by the Veterans' Administration, when required, will be scheduled, generally, in from one to five years, according to the likelihood of early improvement.
- (2) Examinations for disability rating purposes should be as full and complete as possible under existing circumstances. They should always cover conditions rated "mm" or "nn" without prior examinations by the Veterans' Administra-They should include in all instances a brief medical and industrial history bringing the employment record up to date from date of discharge or date of last examination. Except in bedside examinations at the veteran's home, height, weight, general appearance, nutrition, muscular development, carriage, posture, and gait should be reported on at the time of each examination. Examiners should constantly bear in mind that they are communicating, on paper, the results of their examination to other physicians who will generally not see the veteran.
- (3) Examinations in prisoner of war cases. Early examinations in prisoner of war cases should be given special attention. They will be requested "at once" whenever the records are considered inadequate for rating purposes, whenever the veteran complains regarding his initial rating, or whenever he complains regarding adequacy of an mitial examination. Such "at once" examinations will be given priority over all others, except emergency cases. Neuropsychiatric examinations should never be omitted. The examiners should

feel a special obligation to ascertain and report any causes of reduced efficiency whether or not expressible in formal diagnostic nomenclature. A common complaint is that although weight has been regained, weakness and fatigability continue. This should be reported on as accurately as possible. Retinitis is not uncommon following malnutrition. With history of intestinal disease, or unexplained underweight condition, tests for intestinal parasites should be routine. The existence of any chronic disease which may be associated with the circumstances of imprisonment should be carefully checked and reported on.

(4) Examinations in psychoneurosis cases. In these cases the examiner should record the veteran's complaints and subjective symptoms separately from the examiner's objective findings, observations and analysis of the case. A study of the longitudinal view of the case should be made. The examiner should note any change in behavior pattern attributable to the disease, or their absence, and report on these or their absence. In any case where it has been established that the veteran suffered from a psychoneurosis of combat origin, a change of diagnosis to one reflecting psychopathic personality should not be proposed without full consideration of the veteran's combat experience and effects thereof. Where any veteran with combat experience has manifested symptomatology initially classified as "combat fatigue," "exhaustion," or under any other of a number of special terms, a subsequent reclassification as psychopathic personality should not be made or continued without the same full consideration. By proper direction of his questions, as to time and circumstances of onset, the examiner should insure that these become a part of the report of examination. In making an examination the examiner should familiarize himself with all earlier diagnoses in the case and assure himself that changes are fully explained and justified. The examiner should endeavor as far as possible to return a correct diagnosis on initial examination by the Veterans' Administration, as well as on subsequent examinations. Particular care is necessary when there are combinaitons of symptoms in part referable to organic diseases and in part referable to psychoneurotic reactions. Conference of examiners is usually advisable under these circumstances to determine whether one diagnosis may cover all the symptoms or for the allocation of the symptoms to the separate diagnosis.

(d) In non-service-connected cases under § 35.013 of this chapter, wherein a permanent total rating may be in effect, or be hereafter granted, based on other than obviously static disabilities, reexamination will be conducted within thirty months of the date the permanent total rating was first granted. Further examination will not be requested routinely and will only be accomplished if considered necessary based upon the particular facts of the individual case. In cases in which the permanent total disability is confirmed by reexamination or by the history of the case, or with obviously static disabilities, further re-

examinations will not be requested. (R. S. 471, 43 Stat. 603, 613, 46 Stat. 1016, 48 Stat. 9; 38 U. S. C. 2, 11, 11a, 426, 473–480, 483–491, 703, 707)

34. In § 2.1189, paragraph (a) is amended to read as follows:

§ 2.1189 Rating of change in diagnosis of diagnostic center. (a) Where the findings of a field station of the Veterans' Administration differ from the findings of a diagnostic center as to degree in severity of condition within one year from the date of the diagnostic center findings, the rating agency of original or appellate jurisdiction will reconcile such difference with the diagnostic center in accordance with the procedure outlined in Veterans' Administration Medical procedure. However, upon physical reexamination after lapse of the one-year period indicated the rating agency is authorized to rate a case, without such reconciliation, on the degree of severity shown under the 1945 rating schedule and regulations. (60 Stat. 319)

(R. S. 471, 43 Stat. 608, 46 Stat. 1016, 48 Stat. 9; 38 U. S. C. 2, 11, 11a, 426, 707)

35. Section 3.1200 is amended to read as follows:

§ 3.1200 Disallowance of claims. (a) When, upon review by the authorization unit, it is determined that there exists a statutory or regulatory bar to entitlement, the claim will be disallowed; otherwise no claim for disability compensation or pension will be disallowed prior to consideration by the rating board and the assignment of an appropriate rating. In every instance where a disallowance is effected, the veteran or his duly authorized representative will be informed of the action taken.

(b) Where an application for benefits is based upon the same conditions for which a claim was formerly disallowed and new and material evidence is not submitted, the veteran will be informed that in view of the determination previously made, it will be necessary to deny the claim in the absence of changes in the law or regulations.

36. In § 3.1201, paragraph (d) is amended and a new paragraph (f) is added:

§ 3.1201 Adjudication of claims involving compensation or pension based upon new and material evidence presented after prior disallowance. • • •

(d) Awards pursuant to claims comprehended under paragraphs (a) (b) and (c) of this section will be governed by the provisions of § 35.02 series of this chapter, effective laws, and § 3.1212 of this chapter relating to the effective dates of awards based upon original claims.

(f) Where the new and material evidence consists of a supplemental report from the service department and it is received subsequent to the expiration of the appeal period or, in the event of an appeal, subsequent to the decision of the Board of Veterans Appeals, the supplemental report from the service department will be considered under § 35.02 of this chapter, the appropriate rating and

award accomplished under the applicable instructions and if in the opinion of the rating board, the evidence warrants the payment of retroactive benefits the claims folder will be forwarded accompanied by a recommendation, in field cases, to the director, claims service, branch office, and in central office cases, to the director, veterans claims service, or the director, dependents and beneficlaries claims service, for determination of the retroactive feature pursuant to § 35.02 of this chapter. The retroactive evaluation of disability resulting from disease or injury subsequently service connected on the basis of new evidence from a service department must be adequately supported by medical evidence and where the additional records received from the service department clearly support the assignment of a specific rating over a part or the entire period of time involved a retroactive evaluation will be assigned accordingly except as it may be affected by the filing date of the original claim. Decisions made by the officials to whom authority is herein given to make determinations under § 35.02 of this chapter are subject to appeal to the board of veterans appeals.

37. In § 3.1212, paragraphs (a) and (c) are amended to read as follows:

§ 3.1212 Effective dates of awards of disability compensation. (a) Initial awards of disability compensation will be payable in accordance with the provisions of § 35.021 (a) of this chapter, as amended by section 17, Public Law No. 144, 78th Congress, provided an appropriate claim therefor has been filed and, if incomplete the necessary evidence to complete such claim is submitted within one year from the date of request therefor.

(c) The effective dates of awards of disability compensation will coincide with the effective dates of evaluations as set forth in § 2.1142 (a) and (b) of this chapter.

38. Section 3.1213 is amended to read as follows:

§ 3.1213 Effective dates of awards pursuant to § 35.013 of this chapter. Awards pursuant to § 35.013 of this chapter, will be effective as of the date of the receipt of a claim or the date upon which permanent total disability arose, whichever is the later. (48 Stat. 8; 38 U. S. C. 701)

39. In § 3.1214, paragraphs (a) and (b) are amended to read as follows:

§ 3.1214 Effective dates of awards of increased disability compensation.

(a) By reason of dependents. Increased disability compensation payable by reason of dependents under Title III, Public No. 141, 73d Congress, will be effective as of the date of the receipt of the claim or the date of receipt of the evidence which establishes entitlement, whichever is the later, subject to the provisions of § 3.1255 (c) in cases of institutionalization. The evidence necessary to complete the application for dependency allowance must be submitted within one year from the date of request

for such evidence; otherwise the allowance for the dependents may not be paid by virtue of that application.

- (b) By reason of regulatory or schedular provisions. (1) The effective date of increased compensation due to the promulgation of the 1945 schedule is controlled by § 2.1149 of this chapter.
- (2) The effective date of an award, original, increased or reopened, resulting from an amendment of the 1945 schedule or the promulgation of an administration issue will be the date of receipt of the claim, original, increased or reopened, but in no event prior to the date of the amendment or administration issue: Provided, That if the amendment or issue is applied on the initiative of the administration the effective date will be the date of administrative determination. The date of administrative determination is the date the rating sheet is signed. Except in unusual cases, the rating sheets will be typed and signed the same day the work sheet is prepared by the rating board.
- 40. In § 3.1216, paragraph (a) is amended and a new paragraph (c) is added:
- § 3.1216 Application for increase based upon changed physical condition. * * *
- (a) Increase based upon report of physical examination. Where an increase in disability is shown by an official report of physical examination made by a full-time, part-time or designated physician of the Veterans' Administration in connection with compensation, pension, or treatment pursuant to proper authority, the report of physical examination will be accepted as a claim and payment of the increase may be made effective as of the date of examination. This principle likewise is for application to claims under § 35.013 (a) (1) of this chapter.
- . * (c) Physical examination reports from State, county and municipal institutions and contract hospitals. Generally, physical examination reports from State, county and municipal institutions and contract hospitals relative to veterans undergoing treatment or domiciled therein, whether by the Veterans' Administration or otherwise, will be accorded the same consideration for the purpose of rating claims for compensation or pension as though the examinations were received from a Veterans' Administration field station. These examinations, however, must present the essentials upon which ratings are to be founded, that is, the disabling conditions must be adequately identified; sufficient findings must be reported to permit proper evaluation of the condition, and they must be certified by chief medical officers or their physician designates. It is to be understood that such reports, in those instances where maintenance is not at the expense of the Veterans' Administration, should not be accepted as claims for increase if they are routinely submitted, but only where there is an indication that they are being submitted for the purpose of claiming increased benefits.
 - 41. Section 3.1220 is canceled.

- § 3.1220 Interpretation of section 28, Public No. 141, 73d Congress. [Canceled September 26, 1947.]
- 42. Section 3.1225 is amended to read as follows:
- § 3.1225 Computation of awards predicated upon rating involving both direct and statutory presumptive service connection. (a) Awards based upon the evaluation of disabilities all of which are directly service connected by way of aggravation or incurrence in active military or naval service only will be for the full amount payable under the rating. Awards predicated upon the evaluation of disabilities all of which are serviceconnected by statutory presumption only under section 27, Public No. 141, 73d Congress, will be for the amount of 75 percent of the compensation which otherwise would be payable under the rating. Awards predicated upon ratings involving both direct and statutory presumptive service-connected diseases or injuries will be computed as follows: The amount of compensation payable in accordance with the Schedule of Disability Ratings, 1945, and Extensions thereto, will be determined for the directly service-connected diseases or injuries, and three-fourths of the difference between this amount and the amount otherwise payable for all diseases or injuries service-connected directly or by statutory presumption will be added to the amount payable for the directly service-connected diseases or injuries. This sum will be the monthly payment to be awarded.
- (b) A \$60 award on account of nurse or attendant will be assumed to be predicated on the major (i. e., highest rated) disability or statutory combination, and the amount to be paid will depend on the service connection status of the disability.
- (c) When the statutory award of \$60 on account of arrested tuberculosis is predicated upon service connection by statutory presumption, the minimum award will be \$45 per month. This award does not enter into combination ratings or awards.
- (d) The statutory award of \$30 per month (section 202 (3) World War Veterans' Act, 1924, as amended) does not apply to disabilities which are service connected by statutory presumption. (60 Stat. 908)
- (R. S. 471, 43 Stat. 608, 46 Stat. 1016; 48 Stat. 9; 38 U. S. C. 2, 11, 11a, 426, 707)

[SEAL]

O. W CLARK, Acting Administrator of Veterans' Affairs.

SEPTEMBER 26, 1947.

[F. R. Doc. 47-10904; Filed, Dec. 11, 1947; 8:50 a. m.]

PART 36—SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED

GUARANTY OR INSURANCE OF LOANS TO VETERANS

1. Section 36.4300 (11 F R. 2118) is amended to read as follows:

- § 36.4300 Applicability. The regulations in this part and amendments thereto shall be applicable to each loan entitled to an automatic guaranty, or otherwise guaranteed or insured, on or after the date of publication thereof in the Federal Register, and shall be applicable to such loans previously guaranteed or insured to the extent that no legal rights vested thereunder are impaired.
- 2. Section 36.4301 (1) and (u) are amended and a new paragraph (ff) added as follows:

§ 36.4301 Definitions. * * *

- (1) "Engaging in business" or "pursuing a gainful occupation" (section 503)—active participation in the operation, management and supervision of an enterprise, or practice of a profession or trade, on a full- or part-time basis.
- (u) "Indebtedness"—the unpaid principal and interest plus any other amounts allowable under the terms of a loan including those authorized by statute and consistent with the regulations, which have been paid and debited to the loan account.
- (ff) "Repossession-repossessed" recovery or acquisition of such physical control of property (pursuant to the provisions of the security instrument or as otherwise provided by law) as to make further legal or other action unnecessary in order to obtain actual possession of the property or to dispose of the same by sale or otherwise.
- 3. Section 36.4306 is amended to read as follows:
- § 36.4306 Refunding of outstanding indebtedness. (a) The proceeds of a guaranteed or insured loan if otherwise eligible may be used to refinance existing obligations of the veteran-applicant or to repay advances made by him, Provided.
- (1) The obligation was incurred or the advance made within 60 days prior to the date of application to the lender, or
- (2) The obligation represents the balance due on a land sale contract (see § 36.4354) or
- (3) The obligation represents the balance due for the purchase of land on which new construction is to be financed through the proceeds of the loan, or
- (4) Such obligation is eligible under section 507 of the act.
- (b) If any part of an obligation which is refinanced with the proceeds of the loan submitted for guaranty or insurance is ineligible that portion of the loan which serves to refinance such part of the obligation shall be excluded in computing the amount of guaranty or credit to the insurance account of the lender in respect of that loan.
- 4. Section 36.4308 is amended to read as follows:
- § 36.4308 Transfer of title by borrower The conveyance of, or other transfer of title to property by operation of law or otherwise, after the creation of a lien thereon to secure a loan which

is guaranteed or insured in whole or in part by the Administrator, shall not constitute an event of default, or acceleration of maturity, elective or otherwise, and shall not of itself terminate or otherwise affect the guaranty or insurance.

- 5. Section 36.4309 is amended to read as follows:
- § 36.4309 Amortization. (a) All loans the maturity date of which is beyond 5 years from date of loan, or date of assumption by the veteran, shall be amortized. The schedule of payments thereon shall be in accordance with any generally recognized plan of amortization requiring approximately equal periodic payments and shall require a principal reduction not less often than annually during the life of the loan, except that on farm real estate loans the principal repayments may be postponed for not more than two years from the date of the loan. The final installment on any loan shall not be in excess of two times the average of the preceding installments, except that on a construction loan such installment may be for an amount not in excess of five percentum of the original principal amount of the loan. The limitations imposed herein on the amount of the final installment shall not apply in the case of any loan extended pursuant to § 36.4314 (a)

(b) Any plan of repayment on loans required to be amortized which does not provide for approximately equal periodic payments shall not be eligible unless approved by the Administrator.

(c) Every guaranteed or insured loan shall be repayable within the estimated economic life of the property securing the loan.

- (d) Subject to paragraph (a) of this section, any amounts which under the terms of a loan do not become due and payable on or before the last maturity date permissible for loans of its class under the limitations contained in the act shall automatically fall due on such date. (See § 36.4334.)
- 6. Section 36.4310 is amended to read as follows:
- § 36.4310 Prepayment. The debtor shall have the right to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or \$100, whichever is less: Provided, That any prepayment made on other than an installment due date need not be credited until the next following installment due date or 30 days after such prepayment, whichever is earlier. The holder and the debtor may agree at any time that any prepayment not previously applied in satisfaction of matured installments shall be re-applied for the purpose of curing or preventing any subsequent default. The initial four percent payment made by the Administrator may be considered a prepayment for the purposes of this section.
- 7. Section 36.4311 is amended to read as follows:
- § 36.4311 Interest rates. (a) Excepting non-real estate loans insured under section 508 of the act, the interest rate on any loan guaranteed or insured wholly

or in part may not exceed four percentum per annum on the unpaid principal balance.

(b) On a non-real estate insured loan the interest rate may not be in excess of:

(1) Discount note. An amount equivalent to \$3 discount per \$100 of original face amount of a 1-year note payable in equal monthly installments, or

(2) Interest bearing note. 5.70 percentum per annum on the unpaid princi-

pal balance.

- (c) Interest in excess of the applicable rate specified in the act shall not be payable on any advance, or in the event of any delinquency or default: Provided, That a late charge not in excess of an amount equal to 4 percent on any installment paid more than 15 days after due date shall not be considered a violation of this limitation.
- 8. Section 36.4312 is amended to read as follows:
- § 36.4312 Closing costs. (a) Any costs or expenses incurred in closing a loan or financing a purchase and normally regured to be paid by a purchaser or licnor incident to the making of a loan under local lending customs may be included in the amount paid out of the proceeds of a guaranteed or insured loan, except that no brokerage or service charge or their equivalent may be charged against the debtor or the proceeds of the loan either initially, periodically or otherwise: Provided. That a lender shall not be precluded from making a customary charge in construction loan cases for supervision and inspection during the course of construction. Loans guaranteed or insured pursuant to section 505 (a) of the act shall not exceed 20% of the purchase price as defined in § 36.4301 (aa).

(b) Brokerage or other charges shall not be made against the veteran for obtaining any guaranty, or insurance under section 503 of this title, nor shall any premiums for insurance on the life of the borrower be paid out of the proceeds of a loan, except that there may be paid out of the proceeds of a nonrealty loan for farm or business purposes premiums on insurance not in excess of the amount of the loan and for a period not in excess of 2 years, or the term of

the loan, whichever is less.

(c) Any commission or other consideration paid or payable by the veteran to a sales broker or another, as agent of the veteran or otherwise, shall not be considered as acquisition or closing costs and shall be treated as part of the purchase price for the purpose of determining that the purchase price of the property is not in excess of the reasonable value thereof, and when so treated any such commission or consideration may be paid out of the proceeds of the loan.

- 9. Section 36.4313 is amended to read as follows:
- § 36.4313 Advances and other charges. (a) A holder may include in a guaranteed or insured indebtedness or charge against the proceeds of the security therefor, any reasonable expense necessary and proper for the maintenance or repair of the security or for the payment of accrued taxes, special assessments, ground or water rent, or premiums on

fire or other casualty insurance against loss of or damage to such property. Any expenses other than those expressly permitted may be debited against the indebtedness or deducted from the proceeds of the sale of the security if lawfully authorized by the loan agreement: Provided, That such other expenses shall not be considered in determining the amount payable by the Administrator, except as provided in paragraph (b) of this section.

- (b) The holder may charge (1) against the proceeds of the sale of the security, (2) against gross amounts collected, (3) in any accounting to the Administrator after payment of a claim under the guaranty, (4) in the computation of a claim under the guaranty, subject to § 36.4321 (a), or (5) in the computation of an insurance loss, any of the following items actually paid:
- (i) Any expense which is reasonably necessary for preservation of the security,
- (ii) Court costs in a foreclosure or other proper judicial proceeding involving the security,
- (iii) Other expenses reasonably nececcary for collecting the debt, or repossession or liquidation of the security,
- (iv) Reasonable trustee's fees or commissions not in excess of those allowed by statute and in no event in excess of 5 percent of the unpaid indebtedness,
- (v) Reasonable amount for legal services actually performed not to exceed 10 percent of the unpaid indebtedness as of the date of the first uncured default, or \$250, whichever is less,
- (vi) Any other expense or fee that is approved in advance by the Administrator.
- (c) Nothing in this section shall be construed to authorize any charge against the debtor unless he otherwise be liable therefor.
- 10. Section 36.4314 is amended to read as follows:
- § 36.4314 Extensions and re-amortizations. (a) The terms of repayment of any loan may by written agreement between the holder and the debtor be extended in the event of default, to avoid imminent default, or in any other case where the prior approval of the Administrator is obtained. Except with the prior approval of the Administrator, no such extension shall set a rate of amortization less than that sufficient to fully amortize at least 80 percent of the loan balance so extended within the maximum maturity prescribed for loans of its class.
- (b) In the event of a prepayment pursuant to § 36.4310, the balance of the indebtedness may, by written agreement between the holder and the debtor, be re-amortized, provided the re-amortization schedule will result in full repayment of the loan within the original maturity.
- (c) In the event an additional lean is proposed to be made pursuant to § 36.4351 for the repair, alteration or improvement of real property on which there is an existing loan guaranteed or insured under the act, the terms of repayment of the prior loan may, by written agreement between the holder and the debtor, be recast to combine the schedule of repayments on the two loans,

provided the entire indebtedness is repayable within the permissible maximum maturity of the original loan.

(d) Unless the prior approval of the Administrator has been obtained, any extension or re-amortization agreed to by a holder which relieves any obligor from liability will release the liability of the Administrator under the guarantee or insurance on the entire loan.

(e) The holder shall promptly forward to the Administrator an advice of the terms of any agreement effecting a re-amortization or extension of a guar-

anteed or insured loan.

11. Section 36.4315 is amended to read as follows:

§ 36.4315 Reporting of defaults. The holder of any guaranteed or insured loan shall give notice to the Administrator within 45 days after any debtor.

(a) . Is in default by reason of nonpayment of any installment for a period of 60 days from the date of first uncured

default (see § 36.4301 (g)) or
(b) Is in default by failing to comply with any other covenant or obligation of such guaranteed or insured loan which failure persists for a continuing period of 90 days after demand for compliance therewith has been made, except that if the default is due to non-payment of real estate taxes, the notice shall not be required until the failure to pay when due has persisted for a continuing period of 180 days.

12. Section 36.4317 is amended to read as follows:

§ 36.4317 (See also § 36.4319) Notice of intention to foreclose. Except upon the express waiver of the Administrator, a holder shall not begin proceedings in court or give notice of sale under power of sale, or otherwise take steps to terminate the debtor's rights in the security until the expiration of 30 days after delivery by registered mail to the Administrator of a notice of intention to take such action: Provided, That (a) immediate action may be taken if the property to be affected thereby has been abandoned by the debtor, or has been or may be otherwise subjected to extraordinary waste or hazard, or if there exist conditions justifying the appointment of a receiver for the property (without reference to any contractual provisions for such appointment) and (b) any right of a holder to repossess personal property may be exercised without prior notice to the Administrator · but notice of any such action taken shall be given by registered mail to the Administrator within ten days thereafter.

13. Section 36.4319 is amended to read as follows:

 $\S 36.4319$ Legal proceedings. (a) When the holder institutes suit or otherwise becomes a party in any legal or equitable proceeding brought on or in connection with the guaranteed or insured indebtedness, or involving title to, or other lien on, the security, such holder, within the time that would be required if the Administrator were a party to the proceeding, shall deliver to the Administrator, by mail or otherwise, by making such delivery to the loan guaranty officer

at the office which granted the guaranty or the insurance, or other office to which the holder has been notified the file is transferred, a copy of every procedural paper filed on behalf of holder, and shall also so deliver, as promptly as possible, a copy of each similar pleading served on holder or filed in the cause by any other party thereto. Notice of, or motion for, continuance and orders thereon are excepted from the foregoing.

(b) A copy of a notice of sale under power by a holder or one acting at his behest (e. g. trustee or public official) shall be similarly delivered to the Administrator at or before the date of first publication, posting, or other notice, but in any event, except in emergency or when waived by the Administrator, not less than 10 days prior to date of sale. Copy of any other notice of sale served on the holder or of which he has knowledge shall be similarly delivered to the Administrator, including any such notice of sale under tax or other superior lien or any judicial sale.

(c) The procedure prescribed in paragraphs (a) and (b) of this section shall not be applicable in any proceeding to which the Administrator is a party after his appearance shall have been entered therein by a duly authorized attorney.

(d) In any legal or equitable proceeding (including probate and bankruptcy proceedings) to which the Administrator is a party, original process and any other process prior to appearance, proper to be served on the Administrator, shall be delivered to the loan guaranty officer of the regional office of the Veterans' Administration having jurisdiction of the area in which the court is situated. Within the time required by applicable law, or rule of court, the Administrator will cause appropriate special or general appearance to be entered in the cause by his authorized attorney.

(e) After appearance of the Administrator by attorney all process and notice otherwise proper to serve on the Administrator before or after judgment, is served on his attorney of record shall have the same effect as if the Administrator were personally served within the

jurisdiction of the court.

(f) If following a default the holder does not begin appropriate action within 2 months after requested in writing by, the Administrator to do so, or does not prosecute such action with reasonable diligence, the Administrator may at his option intervene in, or begin and prosecute to completion any action or proceeding, in his name or in the name of the holder, which the Administrator deems necessary or appropriate, and may fix a date beyond which no further charges may be included in the computation of the guaranty claim or an insured loss. The Administrator shall pay, in advance-if necessary, any court costs or other expenses incurred by him, or properly taxed against him, in any such action to which he is a party, but may charge the same, and also a reasonable amount for legal services, against the guaranteed or insured indebtedness, or the proceeds of the sale of the security to the same extent as the holder (see § 36.4313) or otherwise collect from the holder any such expenses incurred by the

Administrator because of the neglect or failure of the holder to take or complete proper action. The rights and remedies herein reserved are without prejudice to any other rights, remedies or defenses, in law or in equity, available to the Administrator.

14. Section 36.4321 is amended to read as follows:

§ 36.4321 Computation of guaranty claims: subsequent accountings, (a) Subject to the limitation that the total amounts payable shall in no event exceed the amount originally guaranteed, the amount payable on a claim for the guaranty shall be the percentage of the loan originally guaranteed applied to the indebtedness computed as of the date of claim but not later than (1) the date of judgment or of decree of foreclosure, or (2) in non-judicial foreclosures the date of publication of the first notice of sale, or (3) in cases in which the security is repossessed without a judgment, decree or foreclosure the date the holder repossesses the security, or (4) if no security is available or no repossession takes place, the date of claim but not more than 6 months after the first uncured default. Deposits or other credits or setoffs legally applicable to the indebtedness on the date of computation shall be applied in reduction of the indebtedness on which the claim is based. Any escrowed or earmarked funds not subject to superior claims of third persons must likewise be so applied.

(b) Credits accruing from the proceeds of a sale or other disposition of the security subsequent to the date of computation, and prior to the submission of the claim, shall be reported to the Administrator incident to such submission, and the amount payable on the claim shall in no event exceed the remaining balance of the indebtedness.

(c) The claimant shall be deemed to have received as trustee for the benefit of the United States any amounts received on account of the indebtedness after the date of the claim, from the proceeds of a sale of the security or otherwise, to the extent such credits exceed the balance of the indebtedness unsatisfied by the payment of the guaranty. He shall forthwith pay such amounts to the Administrator to the extent of the debtor's liability to the Administrator as guar-

(d) Any allowable expenditures or costs paid subsequent to the date of computation of the claim and before accounting to the Administrator, and accrued interest from the date of claim to the date of sale, may be deducted by the holder from the proceeds of the sale of the security, or may be included in the accounting to the Administrator on such

15. Section 36.4324 is amended to read as follows:

§ 36.4324 Release of security. (a) Except upon full payment of the indebtedness the holder shall not release a lien or other right in or to real property held as security for a guaranteed or insured loan, or grant a fee or other interest in such property, without the prior approval of the Administrator, unless in the opinion of the holder such release does not involve a decrease in the value of the security in excess of \$300, provided that the aggregate of the reduction in the original value of the security resultant from such releases without the Administrator's prior approval does not exceed \$300.

(b) Holder may release from the lien personal property including crops without the prior approval of the Administrator.

(c) Except upon full payment of the indebtedness or upon the prior approval of the Administrator, the holder shall not release a lien under paragraphs (a) or (b) of this section unless the consideration received for the release is commensurate with the fair market value of the property released and the entire consideration is applied to the indebtedness, or if encumbrance on other property is accepted in lieu of that released it shall be the holder's duty to acquire such lien on property of substantially equal value which is reasonably capable of serving the purpose for which the property released was utilized.

(d) Failure of the holder to comply with the provisions of this section shall not in itself affect the validity of the title of a purchaser to the property released.

(e) The holder shall notify the Administrator of any such release or substitution of security within 30 days after completion-of such transaction.

(f) The release of the personal liability of any obligor on a guaranteed or insured obligation resultant from the act or omission of any holder without the prior approval of the Administrator shall release the obligation of the Administrator as guarantor or insurer, except when such act or omission consists of: (1) failure to establish the debt as a valid claim against the assets of the estate of any deceased obligor provided no lien for the guaranteed or insured debt is thereby impaired or destroyed; or, (2) an election and appropriate prosecution of legally available effective remedies with respect to the repossession or the liquidation of the security in any case, irrespective of the identity or the survival of the original or of any subsequent debtor, if holder shall have given such notice as required by § 36.4317, and if after receiving such notice, the Administrator shall have failed to notify the holder within 15 days to proceed in such manner as to effectively preserve the personal liability of the parties liable, or such of them as the Administrator indicates in such notice to the holder.

(g) Nothing herein shall be construed to restrict the expenditure of working capital, the processing of materials, or the sale of merchandise or inventory in the ordinary course of business

(h) Increase derived from livestock which constitutes security is not required to be included in the lien, and when so included may be disposed of by agreement between holder and debtor without advising the Administrator of such disposition.

16. Section 36.4333 is amended to read as follows:

§ 36.4333 Satisfaction of indebtedness. Upon full satisfaction of a guaranteed loan by payment or otherwise it chall be the duty of the holder to cancel the endorsement, if any, of the Administrator; and forthwith inform the Administrator of such cancellation. In the event the Administrator's liability thereon is evidenced by an instrument separate from the instrument evidencing the debtor's obligation, the instrument evidencing the obligation of the Administrator chall be returned to the Veterans' Administration office issuing same, or to the central office, with the holder's cancellation or endorsement of release thereon.

17. Section 36.4335 is amended to read as follows:

§ 36.4335 Supplementary administratire action. Notwithstanding any requirement, condition, or limitation stated in or imposed by the regulations concerning guaranty or insurance of loans to veterans the Administrator, within the limitations and conditions preceribed in the act, may take such action as may be necessary or appropriate to relieve any undue prejudice to a debtor, holder, or other person, which might otherwise result, provided such action shall not impair the vested rights of any person affected thereby. If such requirement, condition or limitation is of an administrative or procedural nature, such action may be taken by any employee authorized to act under § 36.4342 of the regulations concerning guaranty or insurance of loans to veterans.

18. Section 36.4342 is amended to read as follows:

§ 36.4342 Delegation of authority. (a) Except as hereinafter provided each employee of the Veterans' Administration heretofore or hereafter appointed to, or lawfully filling, any position designated in paragraph (b) of this section is hereby delegated authority, within the limitations and conditions prescribed by law. to exercise the powers and functions of the Administrator with respect to the guaranty or insurance of loans and the rights and liabilities arising therefrom, including but not limited to, the adjudication and allowance, disallowance, and compromise of claims, the collection or compromise of amounts due, in money or other property, the extension, rearrangement, or acquisition of loans, the management and disposition of secured and unsecured notes and other property, and those functions expressly or impliedly embraced within paragraphs (2) to (6), inclusive, of section 509 (a) of the act. Incidental to the exercise and performance of the powers and functions hereby delegated each such employee is authorized to execute and deliver (with or without acknowledgment) for, and on behalf of, the Administrator evidence of guaranty or of insurance credits and such certificates, forms, conveyances, and other instruments as may be appropriate in connection with the acquisition, ownership, management, sale, transfer, assignment, encumbrance, rental or other disposition of real or personal property, or of any right, title or interest therein, including, but not limited to, contracts of sale, installment contracts, deeds, leases, bills of cale, assignments and releases; and to approve disbursements to be made for any purpose authorized by Title III of the act.

(b) Positions:

Accident Administrator for Finance.
Director, Lean Guaranty Service.
Accident Director, Lean Guaranty Service.
Division Chief, Lean Guaranty Service.
Accident Division Chief, Lean Guaranty
Service.
Chief, Lean Guaranty Division.
Accident Chief, Lean Guaranty Division.

Chief, Lean Guaranty Division.
Accident Chief, Lean Guaranty Division.
Lean Guaranty Officer.
Accident Lean Guaranty Officer.

(c) Nothing in this section shall

(c) Nothing in this section shall be construed (1) to authorize any such employee to exercise the authority vested in the Administrator under section 504 or section 503 (b) of the act or to sue, or enter appearance for and on behalf of the Administrator or confess judgment against him in any court without his prior authorization; or, (2) to include the authority to exercise those powers reserved to the Administrator under §§ 36.4335, 36.4343 and 36.4344, or those delegated to the Assistant Administrator for Finance, or Director, Loan Guaranty Service, under §§ 36.4343 or 36.4344 of the regulations concerning guaranty or insurance of loans to veterans.

19. Section 36.4343 is amended to read as follows:

§ 36.4343 Loans which may not be processed automatically. (a) Any loan which is (1) related to an enterprise in which more than ten individuals will participate; or (2) to be made for the purchase or construction of residential units in any housing development, cooperative or otherwise, the title to which development or to the individual units therein is not to be held directly by the veteran participants, or which contemplates the ownership or maintenance of more than three units or of their major appurtenances in common; or (3) to be made for business or farm purposes in the amount of \$25,000 or more, to be eligible for guaranty or insurance shall require the prior approval of the Administrator, the Assistant Administrator for Finance or of the Director, Loan Guaranty Service, who may issue such approval upon such conditions and limitations as he may deem appropriate, not inconsistent with the provisions of the act, and subject to §§ 36.4301, 36.4302, 36.4317, 36.4319 to 36.4330, inclusive, 36.4332, 36.4333, 36.4335, 36.4336, 36.4340, 36.4345, 36.4350, 36.4352, 36.4354, 36.4360, and, as to insured loans, §§ 36.4370 to 36.4375, inclusive.

(b) The issuance of such approval with respect to a residential development under subparagraph (2) of paragraph (a) also shall be subject to such conditions and ctipulations as in the judzment of the approving officer are possible and proper to (1) afford reasonable and feasible protection to the rights of the Government as guarantor or insurer, and as subrogee, and to each veteran participant against loss of his respective equity consequent upon the fallure of other participants to discharge their obligations; (2) provide for a reasonable and workable plan for the op-

eration and management of the project;
(3) limit the personal liability of each veteran participant to those sums allocable on a proper ratable basis to the purchase, cost, and maintenance of his individual unit or participating interest;
(4) limit commercial features to those reasonably calculated to promote the economic soundness of the project and the living convenience of the participants, retaining the essential character of a residential project.

(c) No such project, development, or enterprise may be approved which involves an initial grouping of more than 500 veterans, or a cost of more than five million dollars, unless it is conclusively shown to the satisfaction of the approving officer that a greater number of veterans or dollar amount will assure substantial advantages to the veteran-participants which could not be achieved in

a smaller project.

(d) When approved as in this section provided, and upon performance of the conditions indicated in the prior approval, proper guaranty certificate or certificates may be issued in connection with the loan or loans to be guaranteed on behalf of eligible veterans participating in the project, development or enterprise not to exceed in total amount the sum of the guaranties applied for by the individual participants and for which guaranty each participant is then eligible.

- (e) In lieu of guaranty as authorized in paragraph (d) of this section, insurance shall be available on application by the lender and all veterans concerned. In such case the insurance credit shall be limited to 15 per cent of the obligation of the veteran applicant (subject to available eligibility) and the total insurance credit in respect to the veterans' loans involved in the project shall not exceed 15 per cent of the aggregate of the principal sums of the individual indebtedness incurred by the veterans participating in the project for the purpose of acquiring their respective interests therein.
- (f) There is reserved to the Administrator the power to approve loans not meeting the requirements or exceeding the limits prescribed in this section, and there is hereby delegated to the Assistant Administrator for Finance, and the Director, Loan Guaranty Service, the authority to approve loans permitted or authorized by this section, to issue commitments to lenders and to authorize loan guaranty officers to issue certificates of guaranty or certificates of insurance credit in accordance with such prior approval.
- 20. A new section, § 36.4344, 1s added which reads as follows:
- § 36.4344 Loans for corporate or partnership purposes. A loan of less than \$25,000 to an eligible veteran for the purchase of an interest in a corporation or partnership to enable him to engage in business, may be guaranteed or insured, if otherwise eligible, provided such veteran has, or upon completion of the loan transaction will have control of the management of the enterprise through ownership of more than 50% of the outstanding voting stock of the corporation or at least a 50% interest in the partner-

ship, and such veteran is, or as a result of the purchase will become, actively engaged in the conduct of the business on a full or part-time basis. Any loan to be made for the purchase of an interest in a business in which the veteran does does not have or will not acquire the control above prescribed for loans eligible for automatic guaranty shall require the prior approval of the Administrator, the Assistant Administrator for Finance, or the Director, Loan Guaranty Service. A loan, otherwise eligible, may be approved for guaranty or insurance under this section provided that the conditions under which the veteran will engage in the business are such as reasonably to assure the right to an active participation by the veteran in the operation, management, supervision and control of the business during the life of the loan.

21. A new section, § 36.4345, is added which reads as follows:

§ 36.4345 Waivers, consents, and approvals; when effective. No waiver, consent, or approval required or authorized by the regulations concerning guaranty or insurance of loans to veterans, shall be valid unless in writing signed by the Administrator or the subordinate officer to whom authority has been delegated by the Administrator.

22. Section 36.4351 is amended to read as follows:

§ 36.4351 Loans, first, second, or unsecured. (a) Loans for the purchase of real property or a leasehold estate as limited in the regulations concerning guaranty or insurance of loans to veterans, or for the alteration, improve-ment or repair thereof and for more than \$1,000 and more than 40 per cent of the reasonable value of such property or estate prior thereto shall be secured by a first lien on the property or estate. Loans for such alteration, improvement, or repairs for more than \$1,000 but 40 per cent or less of the prior reasonable value of the property shall be secured by either a first or second lien. Those for \$1,000 or less need not be secured, and in lieu of the title examination the Iender may accept a statement from the borrower that he has an interest in the property not less than that prescribed in § 36.4350 (a)

(b) Loans for the installation of equipment which will become fixtures upon, or for the repair, alteration or improvement of property being occupied under a lease with an unexpired term not less than the duration of the loan, and which property is used in connection with the business or farming operation of a veteran, may, if otherwise eligible; be guaranteed or insured: Provided, That the prospective income from the business or farming operation will permit retirement of the indebtedness within the term of the loan, and provided further that the loan is secured to the extent required by § 36.4337.

23. Section 36.4353 is amended to read as follows:

§ 36.4353 Dual purpose loans, residential and business property. If otherwise eligible a loan for the purchase or construction of a combination of residential property and business property

which the veteran proposes to occupy in part as a home will not be inclinible under section 501 if not more than two business units are included. A loan for the purchase or construction of residential property containing more than four separate family units plus an added unit for each veteran participating in the ownership thereof, or more than two business units, must be classed as a business loan and satisfy the requirements of eligibility prescribed under section 503.

24. Sections 36.4354 and 36.4355 are hereby numbered 36.4360 and 36.4365, respectively, and immediately following \$ 36.4353 a new section, which is hereby numbered 36.4354, is added which reads as follows:

§ 36.4354 Land sale contracts. Loans to refinance the balance owed by a veteran on an existing land sale contract may be guaranteed or insured: Provided, That (a) if the contract was executed within one year of the date of application for the loan the purchase price contained in the terms of the contract shall not be in excess of the current appraised reasonable value of the property; and (b) if the contract was executed more than one year prior to the date of the application the purchase price contained in its terms shall not be in excess of the appraised reasonable value of the property as of the date of the execution of the contract and the unpaid amount of the contract shall not be in excess of the current appraised reasonable value of the property.

25. Section 36.4370 is amended to read as follows:

§ 36.4370 Insured loan and insurance account. (a) Loans otherwise eligible may be insured when purchased by a lender eligible under section 508 if the purchaser (lender) submits with the loan report evidence of an agreement, general or special, made prior to the closing of the loan, to purchase such loan subject to its being insured.

(b) A current account shall be maintained in the name of each insured lender or purchaser. The account shall be credited with the appropriate amounts available for the payment of losses on insured loans made or purchased. The account shall be debited with appropriate amounts on account of transfers, purchases under § 36.4318, or payment of losses. The Administrator may on 6 months' notice close any lender's insurance account. Such account after expiration of the 6-month period shall be available only as to loans embraced therein.

(c) Amounts received or recovered by the Administrator or the holder with respect to a loan after payment of an insured claim thereon will not restore any amount to the holder's insurance account.

(Sec. 504, 58 Stat. 293, sec. 8, 59 Stat. 629; 38 U. S. C. Sup. 694d)

[SEAL]

O. W CLARK, Acting Administrator of Veterans' Affairs.

DECEMBER 12, 1947.

[F. R. Doc. 47-10903; Filed, Dec. 11, 1947; 8:48 a. m.]

TITLE 46—SHIPPING

Chapter I—Coast Guard: Inspection and Navigation

[CGFR 47-57]

MISCELLANEOUS AMENDMENTS

A notice regarding the proposed changes in the regulations for load line survey reports and electrical ventilation systems and wire-inserted glass for passenger vessels was published in the FED-ERAL REGISTER dated August 22, 1947 (12 F. R. 5670) and public hearings were held by the Merchant Marine Council on September 23, 1947, at Washington, D. C. All the written and oral comments submitted were considered and incorporated into the revised regulations.

The purpose for the amendments regarding the load line survey reports is to put into effect an agreement reached at an International Conference of Classification Societies in Rome in 1939 so that all new vessels receiving their first load line certificates after January 1, 1948, will carry copies of the original load line survey reports aboard for the information of inspectors and surveyors when carrying out further load line surveys. The purpose of the amendments to the regulations regarding construction or material alteration of passenger vessels of 100 gross tons and over propelled by machinery is to clarify the present reguirements for ventilation systems and to require wire-inserted glass only where necessary for safety.

By virtue of the authority vested in me by R. S. 4405, as amended, 46 U.S. C. 375, and section 101 of Reorganization Plan No. 3 of 1946, 11 F. R. 7875, as well as the statutes cited with the regulations below, the following amendments to the regulations are prescribed, which shall become effective on the date of publication of this document in the FEDERAL REGISTER since these regulations allow the marine industry greater latitude and provide for more uniform administration:

Subchapter E-Load Lines

PART 43-FOREIGN OR COASTWISE VOYAGES

Section 43.09 is amended by adding the following sentence at the end of the first undesignated paragraph:

§ 43.09 Assignment and certification; assigning authority. * * In addition, effective January 1, 1948, each new vessel, when receiving its first load line certificate, shall be furnished a copy of the load line survey report which shall be retained on board to be available for the information of inspectors and surveyors when carrying out subsequent load line surveys. (Sec. 2, 45 Stat. 1493; 46 U.S.C. 85a)

PART 45-MERCHANT VESSELS WHEN EN-GAGED IN A VOYAGE ON THE GREAT LAKES

Section 45.07 is amended by adding the following sentence at the end of the first undesignated paragraph:

§ 45.07 Assignment and certification

of load lines; assigning authority. *

In addition, effective January 1, 1948, each new vessel, when receiving its first load line certificate, shall be furnished a copy of the load line survey report which shall be retained on board to be available for the information of inspectors and surveyors when carrying out subsequent load line surveys. (Sec. 2, 49 Stat. 888; 46 U.S. C. 888)

PART 46-SUBDIVISION LOAD LINES FOR PASSENGER VESSELS

Section 46.018 is amended by adding the following undesignated paragraph:

§ 46.018 Subdivision load line certificates.

Each new vessel which receives its first load line certificate after January 1, 1948, shall also be provided with a copy of the load line survey report as required by §§ 43.09 or 45.07 of this subchapter. (Sec. 2, 45 Stat. 1493, and sec. 2, 49 Staf. 888; 46 U. S. C. 85a, 88a)

Subchapter M-Construction or Material Alteration of Passenger Vessels of the United States of 100 Gross Tons and Over Propelled by Machinery

PART 144-Construction or Material ALTERATION OF PASSENGER VESSELS OF THE UNITED STATES OF 100 GROSS TONS AND OVER PROPELLED BY MACHINERY

Section 144.15 (c) is amended to read as follows:

§ 144.15 Doors. • • •

(c) Doors from service, cargo, machinery, and accommodation spaces leading out onto open decks shall be constructed either of hardwood at least 134 inches thick or of steel. Glass may be used in such doors which open onto safety areas, and if used, it shall be of the wire-inserted type retained by metal glazing beads or angles. Where such doors are fitted between safety areas and accommodation spaces containing incombustible furnishings, veneers, trim, drapes, rugs, etc., plain glass will be satisfactory. (49 Stat. 1384 and 54 Stat. 1028: 46 U.S.C. 369, 463a)

2. Section 144.17 (b) is amended to read as follows:

§ 144.17 Windows. *

(b) Windows or airports opening from service, cargo, or machinery spaces or from accommodation spaces other than those containing incombustible furnishings, veneers, trim, drapes, rugs, etc., onto safety areas, and windows within accommodation spaces shall be fitted with wire-inserted glass. (49 Stat. 1384 and 54 Stat. 1028; 46 U.S. C. 369, 463a)

3. Section 144.25 (j) is amended to read as follows:

§ 144.25 Ventilation. * *

(i) All electrical ventilation systems shall be provided with means for stopping the motors in case of fire or other emergency. For each system there shall be provided two emergency control stations; for the machinery space ventilation, one of these two stations shall be in the fire control room or wheelhouse, and the

second in the passageway leading to the machinery space; for all other ventilation systems, one of these two stations shall be in the fire control room or wheelhouse, and the second shall be located as distant as practicable, except that the main bus feeding power to the equipment for these systems may be considered as the second station. These emergency control pushbutton stations shall be protected by installing glass doors on which there will be marked "in case of fire break glass and push button to stop ventilation." Each pushbutton shall be provided with a name plate identifying the system with which it is associated. This remote control sys-tem shall be of the undervoltage protection type and so arranged that damage to the master switch or cable will automatically stop the fans. Steam-powered ventilation systems shall have a remote control for the steam valve located in an accessible location outside the space affected by the ventilation system. (49 Stat. 1384 and 54 Stat. 1028, 46 U.S.C. 369, 463a)

Dated: December 5, 1947.

[SEAL] J. F. FARLEY, Admiral, U.S. Coast Guard, Commandant.

[F. R. Doc. 47-10346; Filed, Dec. 11, 1947; 8:50 a. m.]

Chapter II-United States Maritime Commission

Subchapter F-Merchant Ship Sales Act of 1946 [G. O. 60, Supp. 13]

PART 299-Rules and Regulations, FORMS, AND CITIZENSHIP REQUIRE-

ADDITIONAL VESSEL PRICES

Subject to the provisions of the Merchant Ship Sales Act of 1946 (60 Stat. 41) and Part 299 of Title 46 (12 F. R. 7965) the following additional vessel prices are published:

PRICES FOR STANDARD MARITIME COMMISSION VESSELS IN ACCORDANCE WITH THE MERCHANT SHIP SALES ACT OF 1945

Type verrel (passenger- curgo)	Prewar do- mestic cost	Unadjusted statutory sales price (50%1941cost)
P2-SE2-R3	\$11,200,000	1 \$5, 600, 000

¹ The vessel floor price is estimated to be about \$7.267, 241 and the minimum cales price will be so determined. The war built cost and floor price will not be finally de-termined until the vessels have been completed.

SUBPART F-PREWAR DOMESTIC COSTS: STATUTORY SALES PRICES

Section 299.56 Prewar domestic costs; statutory sales prices is amended by adding at the end thereof the following paragraphs:

(kk) Type P2-SE2-R3 (Not previously published).

The P2-SE2-R3 type is a passengercargo vessel.

No 242-3

The prices of the standard type are as follows:

Prewar statutory domestic sales price cost (50% 1941 cost) \$11,200,000 1\$5,600,000

The vessel floor price is estimated to be about \$7,267,241 and the minimum sales price wil be so determined. The war built cost and floor price will not be finally determined until the vessels have been completed.

(60 Stat. 41)

By order of the United States Maritime Commission.

[SEAL]

A. J. WILLIAMS, Secretary.

DECEMBER 8, 1947.

[F. R. Doc. 47-10915; Filed, Dec. 11, 1947; 8:53 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

Subchapter A—General Rules and Regulations
PART 10—UNIFORM SYSTEM OF ACCOUNTS
FOR STEAM ROADS

MODIFICATIONS OF ACCOUNTS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 2d day of December A. D. 1947.

The matter of accounting regulations for steam railroads being under consideration pursuant to the provisions of section 20 of Part I of the Interstate Commerce Act, as amended; and

It appearing, that by order dated October 16, 1947, certain modifications in the "Uniform System of Accounts for Steam Railroads, Issue of 1943," were approved (12 F R. 7034) to become effective January 1, 1948, unless otherwise ordered after consideration of objections to be filed on or before November 22, 1947; and

It further appearing, that no objections to the said modifications were received within the specified period (24 Stat. 386, 54 Stat. 916, 49 U. S. C. 20 (3)) It is ordanal. That:

dered, That:

(1) The modifications which were attached to and made a part of the said order of October 16, 1947, shall be filed with the Director of the Division of the Federal Register, together with a copy of this order, to be published in the FEDERAL REGISTER as a substantive rule under section 3 (a) (3) of the Administrative Procedure Act, such rule to become effective January 1, 1948; and,

(2) Notice shall be given each steam railroad which was served with the said order of October 16, 1947, that the modifications attached thereto and made a part thereof will become effective January 1, 1948, as therein ordered; and,

(3) A copy of this order and a copy of the notice to interested carriers shall be deposited in the office of the Secretary of the Commission at Washington, D. C.

EXPENSE ACCOUNTS-GENERAL

1. In § 10.457 *Pensions*, cancel the title, text, and note of this account, and substitute the following:

§ 10.457 Pensions and gratuities. (a) Except as hereafter provided, this account shall include pensions paid currently to retired employees and the expenses incurred solely in connection therewith. It shall also include gratuities paid to the families or heirs of employees; amounts paid currently to insurance companies or to trustees to provide annuities for retired employees (see note) and premiums paid on insurance policies for employees where the carrier is not a beneficiary.

Note: The initial payments to insurance companies or to trustees for prior services of employees shall be charged to account 621, "Miscellaneous debits."

(b) A carrier may account for pensions on an accrual basis provided it has established a retirement plan whereby it definitely agrees to pay pensions to its retired employees. If the carrier elects to adopt the accrual plan, this account shall be charged and account 769 credited each month with amounts representing benefits currently accruing under the plan and borne by the carrier. Contributions by employees shall be credited direct to account 769. Pension payments shall be charged to account 769. Before adopting the accrual plan for pensions, the carrier shall inform the Commission of the details of its pension plan. No charges shall be made to this account in anticipation of discretionary pension payments in the future.

GENERAL BALANCE-SHEET ACCOUNTS

2. In § 10.718 Accrued accounts receivable, and § 10.766 Accrued accounts payable, insert a comma in the first sentence of the text of each account after the words "balance sheet" and add the words "including those" before the word "which."

(24 Stat. 386, as amended, sec. 13, 54 Stat. 916; 49 U. S. C. 20 (3))

By the Commission, Division 1.

[SEAT.]

W P. BARTEL, Secretary.

[F. R. Doc. 47-10943; Filed, Dec. 11, 1947; 8:49 a, m.]

PART 14—ELECTRIC RAILWAYS: UNIFORM SYSTEM OF ACCOUNTS

MODIFICATIONS OF ACCOUNTS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 2d day of December A. D. 1947.

The matter of accounting regulations for electric railways being under consideration pursuant to the provisions of section 20 of the Interstate Commerce Act, as amended; and,

It appearing, that by order dated October 16, 1947, certain modifications in the "Uniform System of Accounts for Electric Railways, Issue of 1947," were approved (12 F. R. 7034) to become effective January 1, 1948, unless otherwise ordered by the division after consideration of objections to be filled on or before November 22, 1947; and,

It further appearing, that no objections to the said modifications were received within the specified period (24)

Stat. 386, 54 Stat. 916, 49 U. S. C. 20 (3)); It is ordered, That:

- (1) The modifications which were attached to and made a part of the said order of October 16, 1947, shall be filed with the Director of the Division of the Federal Register, together with a copy of this order, to be published in the Federal Register as a substantive rule under section 3 (a) (3) of the Administrative Procedure Act, such rule to become effective January 1, 1948; and,
- (2) Notice shall be given each electric railway which was served with said order of October 16, 1947, that the modifications attached thereto and made a part thereof will become effective January 1, 1948, as therein ordered; and.
- (3) A copy of this order and a copy of the notice to interested carriers shall be deposited in the office of the Secretary of the Commission at Washington, D. C.
- 1. Following § 14.410 Miscellaneous accounts receivable, insert the following account:
- § 14.410-1 Accrued accounts receivable. This account shall include estimates of unaudited current items receivable which are credited to operating revenue, operating expense, or income accounts in accordance with § 14.01-5 Unaudited items affecting operating accounts, and § 14.03-5 Unaudited items; also estimates of other unaudited items receivable of a current nature.
- 2. In § 14.420 Other unadjusted debits, eliminate the following words from the text: "items credited to Operating Revenues or Operating Expenses on an estimated basis in accordance with § 14.01-5 Unaudited items affecting operating accounts:"
- 3. Following § 14.432 Miscellaneous accounts payable, insert the following account:
- § 14.432-1 Accrued accounts payable. This account shall include estimates of unaudited current items payable (other than the liability for casualties) which are charged to operating revenue, operating expense, or income accounts in accordance with § 14.01-5 Unaudited items affecting operating a occounts, and § 14.03-5 Unaudited items; also estimates of other unaudited items payable of a current nature.

Note: Estimated liability for injuries to persons and loss and damage claims shall be credited to account 441-1 Operating reserves.

4. In § 14.446 Other unadjusted credits, eliminate the following words from the text: "items charged to operating revenues or operating expenses on an estimated basis in accordance with § 14.01-5 Unaudited items affecting operating accounts;"

(24 Stat. 386, as amended, sec. 13, 54 Stat. 916; 49 U. S. C. 20 (3))

By the Commission, Division 1.

EAL] W P BARTEL, Secretary.

[F. R. Doc. 47–10942; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 775, Amdt. 2] PART 95-CAR SERVICE

DEMTURRAGE ON RAILROAD FREIGHT CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 5th day of December A. D. 1947.

Upon further consideration of Service Order No. 775 (11 F. R. 6784), as amended, (12 F R. 7059) and good cause appearing therefor: It is ordered, That:

Section 95.775 Demurrage on railroad freight cars of Service Order 775 as amended, be and it is hereby further amended by substituting the following paragraph (c) (2) for paragraph (c) (2) thereof:

(2) Description of cars subject to this section. This section shall apply to all freight cars subject to published demurrage charges on file with the Interstate Commerce Commission or State Commissions, except freight cars not suitable for interchange when such cars are used in intra-plant or interplant service.

Effective date. This amendment shall become effective at 7:00 a.m., December

12, 1947.

It is further ordered, a copy of this amendment be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 1, 24 Stat. 379, as amended, 40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4, 54 Stat. 901, 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

W. P. BARTEL. Secretary.

[F. R. Doc. 47-10938; Filed, Dec. 11, 1947; 8:50 a. m.]

[S. O. 798]

Part 95—Car Service

DEMURRAGE CHARGES ON PRIVATELY OWNED TANK CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 2d day of December A. D. 1947.

It appearing, that there has been a marked increase in production and consumption of commodities requiring domestic movement by privately owned tank cars over the past year; that since 1932, except for certain years and especially the war years, when retirements have been deferred, there has been a progressive reduction in private ownership of such special equipment; that undue delays to privately owned tank cars in railroad service must be reduced to assure maximum utilization of such special equipment; that privately owned tank cars in railroad service held for unloading, reconsigning, diversion or reshipment, without limitation of time on private tracks at destination diminishes and retards the use, control, supply, movement, distribution, exchange, interchange, and return of such special equipment and is contrary to the interest of the public and the commerce of the people; that such use of this equipment impairs the provision for adequate transportation to meet the needs of our commerce; the Commission is of the opinion that an emergency requiring immediate action exists in all sections of the country. It is ordered, That:

§ 95.798 Tariff rule suspended on private tank cars. (a) Rule 1, section B, paragraph 4 (a) page 9, Supplement 52, of Association of American Railroads Freight Tariff 4-Y, I. C. C. No. 3963, supplements thereto or reissues thereof, is hereby suspended and the provisions of paragraph (b) of this section shall be substituted therefor by each common carrier by railroad subject to the Interstate Commerce Act.

(b) Private tank cars are subject to demurrage charges. Rule 1, section B, paragraph 4 (a) Private cars on private tracks when the ownership of the car and track is the same (See Note 1) except that loaded private tank cars of A. A. R. Mechanical Designation "TMI", "TMI", "TA" "TAI" "TP" (See Exception 1) or "TPI" (See Exception 1) as described or listed in The Official Railway Equipment Register, I. C. C. R. E. R. No. 235, of reissues thereof, issued by M. A. Zenobia, Agent, when held for unloading, reconsigning, diversion or reshipment, are subject to these demurrage rules to the same extent as cars of railroad ownership.

Exception 1. This provision is not applicable to tank cars designated "TP" or "TPI" when loaded with Anhydrous Hydrofluoric Acid, Carbon Diexide, Chlorine, Ethyl Chloride, Ethylene Oxide, Metallie Spaium, Methyl Chloride, Sulphur Dioxide or Motor Fuel Anti-knock Compound.

(c) Application. (1) The provisions of this section shall apply to intrastate and interstate traffic.

(2) "Private tank cars" includes those owned or controlled by national, state and municipal governments.

(d) Effective date. This section shall become effective at 7:00 a. m., December 20, 1947, and the provisions of this order shall apply to cars on which the free time expires on or after the effective date hereof.

(e) Expiration date. This section shall expire at 7:00 a. m., March 1, 1943, unless otherwise modified, suspended or annulled by order of the Commission.

(f) Tariff provisions suspended. Except to the extent provided for in this section, the operation of all rules, regulations or charges, insofar as they conflict with the provisions of this order is hereby suspended.

(g) Announcement of suspension. Each railroad, or its agent, shall publish. file and post a supplement to each of its tariffs affected thereby, in substantial accordance with the provisions of Rule 9 (k) of the Commission's Tariff Circular No. 20 (§ 141.9 (k) of this chapter), announcing the suspension of the opera-

tion of any of the conflicting provisions therein, and establishing the substituted providions set forth in this section.

It is further ordered, that a copy of this order and direction shall be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Com-mission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 1, 24 Stat. 379, as amended, 40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4, 54 Stat. 901, 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[STAL]

W. P. Barril, Secretary.

[P. R. Doc. 47-10333; Filed, Dec. 11, 1947; 8:49 a. m.]

Subshaptor D-Freight Forwarders

PART 440—Uniform System of Accounts FOR FREIGHT FORWARDERS

MODIFICATION OF ACCOUNTS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 2d day of December A. D. 1947.

The matter of accounting regulations for freight forwarders being under consideration pursuant to the provisions of section 412 of the Interstate Commerce Act, as amended; and,

It appearing, that by order dated October 16, 1947, certain modifications in the "Uniform System of Accounts for Freight Forwarders, Issue of 1943," were approved (12 F. R. 7034) to become effective January 1, 1940, unless otherwise ordered by the division after consideration of objections to be filed on or before November 22, 1947; and,

It further appearing, that no objections to the said modifications were received within the specified period (56 Stat. 234, 49 U.S.C. Sup. 1012), It is ordered, That:

(1) The modifications which were attached to and made a part of the said order of October 16, 1947, shall be filed with the Director of the Division of the Federal Register, together with a copy of this order, to be published in the FEDERAL REGISTER as a substantive rule under section 3 (a) (3) of the Administrative Procedure Act, such rule to become effective January 1, 1948; and,

(2) Notice shall be given each freight forwarder which was served with the said order of October 16, 1947, that the modifications attached thereto and made a part thereof will become effective January 1,

1948, as therein ordered; and,

(3) A copy of this order and a copy of the notice to interested carmers shall be deposited in the office of the Secretary of the Commission at Washington, D. C.

CHIERAL INSTRUCTIONS

1. In § 440.0-3 Unaudited items, cancel the first two sentences and substitute the following: "When the amount of a known revenue, expense, or income item cannot be accurately determined in time for inclusion in the accounts of the calendar year in which the transaction occurs, the amount shall be estimated and included in the appropriate accounts."

GENERAL BALANCE-SHEET INSTRUCTIONS

2. In § 440.0-28 Form of general balance-sheet statement, change the title of account 205 to read "Accrued accounts payable," and following it add account 209, "Other current liabilities."

GENERAL BALANCE-SHEET ACCOUNTS

3. In § 440.107 Accrued accounts receivable, insert the following as the third sentence of the text: "It shall also in-

clude estimates of unaudited current items receivable which are credited to operating revenue, operating expense, or income accounts in accordance with § 440.0-3 Unaudited items, and estimates of other unaudited items receivable of a current nature."

- 4. In item 4 of paragraph (a) under § 440.172 Other deferred debits, insert the words "of a noncurrent nature" between the words "items" and "awaiting." Cancel item 5 of the same paragraph.
- 5. In § 440.205 Other current liabilities, change the number of the account to 209, and insert ahead of this section the following additional section:
- § 440.205 Accrued accounts payable. This account shall include estimates of unaudited current items payable (other

than liability for casualties) which are charged to operating revenue, operating expense, or income accounts in accordance with § 440.0-3 *Unaudited items*; also estimates of other unaudited items payable of a current nature.

Note: Estimated liability for damages, losses, and injuries shall be credited to account 222, "Other reserves."

6. In paragraph (a) of § 440.231 Other deferred credits, cancel item 3.

(56 Stat. 294, 49 U. S. C. Sup. 1012)

By the Commission, Division 1.

[SEAL]

W P. Bartel, Secretary.

[F. R. Doc. 47-10941; Filed, Dec. 11, 1947; 8:49 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 802]

1948 SUGAR BEET PRICES AND WAGE RATES
NOTICE OF HEARINGS AND DESIGNATION OF
PRESIDING OFFICERS

Pursuant to the authority contained in subsections (b) and (d) of section 301 of the Sugar Act of 1937 (7 U. S. C. 1131 (b) (d)), as amended, notice is hereby given that public hearings will be held as follows:

At Detroit, Michigan, in Court Room 859 of the Federal Building on January 5, 1948, at 9:30 a.m.,

At St. Paul, Minnesota, in the Auditorium, University Farm on January 7, 1948, at 10:00 a.m.,

At Billings, Montana, in the Commercial Club Building on January 9, 1948, at

9:30 a. m., At Salt Lake City, Utah, in Court Room 250 of the Federal Building on January 12, 1948, at 9:30 a. m., and

At Denver, Colorado, in the House Chambers, State Capitol on January 14, 1948, at 10:00 a. m.

The purpose of such hearings is to receive evidence likely to be of assistance to the Secretary of Agriculture in determining (1) pursuant to the provisions of section 301 (b) of said act as extended and reenacted by the Sugar Act of 1948 (Public No. 388, 80th Congress) fair and reasonable wage rates for persons employed in the production, cultivation, or harvesting of the 1948 crop of sugar beets on farms with respect to which applications for payments under the said acts are made and (2) pursuant to the provisions of section 301 (d) of the Sugar Act of 1937, as amended, extended and reenacted by the Sugar Act of 1948, fair and reasonable prices for the 1948 crop of sugar beets to be paid under either purchase or toll agreements by processors who, as producers, apply for payment under the said acts.

The hearings, after being called to order at the time and places mentioned herein, may be continued from day to day within the discretion of the presiding officers, and may be adjourned to a later day or to a different place without notice other than the announcement thereof at the hearings by the presiding officers.

C. R. Oviatt, Ward S. Stevenson, and Thomas H. Allen are hereby designated as presiding officers to conduct, either jointly or severally, the foregoing hearings.

Issued this 8th day of December 1947.

[SEAL] N. E. Dodd, Acting Secretary of Agriculture.

[F. R. Doc. 47-10909; Filed, Dec. 11, 1947; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR, Part 14]

MODIFICATION OF UNIFORM SYSTEM OF ACCOUNTS FOR ELECTRIC RAILWAYS, ISSUE OF 1947

NOTICE OF PROPOSED RULE MAKING

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 2d day of December A. D. 1947.

The matter of the "Uniform System of

The matter of the "Uniform System of Accounts for Electric Railways, Issue of 1947," being under consideration pursuant to the provisions of section 20 of the Interstate Commerce Act, as amended, and the modifications which are attached hereto and made a part hereof being deemed necessary for administration of part I of the act (24 Stat. 386, 54 Stat. 917, 49 U. S. C. 20 (3)), It is ordered, That: (1) Any interested party may on or before December 31, 1947, file with the Commission's Secre-

tary a written statement of reasons why the said modifications should not become effective as hereinafter ordered and request oral argument thereon, which request will be granted if the reasons be substantial; and,

(2) Unless otherwise ordered after consideration of such objections, the said modifications shall become effective Jan-

uary 31, 1948; and,

(3) A copy of this order shall be served upon every carrier by railroad independently operated as an electric line subject to the Interstate Commerce Act and upon every receiver, trustee, executor, administrator, or assignee of any such carrier, and notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

By the Commission, Division 1.

[SEAL]

W P BARTEL, Secretary.

GENERAL BALANCE SHEET ACCOUNTS

- 1. In § 14.401-4 Reserve for retirements; nondepreciable property, eliminate the word "net" from the last sentence of the text.
- 2. Designate the present note to § 14.411 Material and supplies, as Note A and add the following as Note B:

Note B: An inventory of material and supplies shall be taken during each calendar year and the necessary adjustments to bring this account into harmony with the actual inventory balances shall be made in the accounts of the year in which the inventories are taken. In effecting this adjustment determined differences in accounting for important classes of material shall be equitably assigned among the accounts to which the classes of material are ordinarily chargeable. Other differences shall be equitably apportioned among the primary accounts to which material has been charged since the last inventory.

[F. R. Doc. 47-10940; Filed, Dec. 11, 1947; 8:49 a. m.]

NOTICES

CIVIL AERONAUTICS BOARD

[Docket No. SA-153]

ACCIDENT AT BRYCE CANYON, UTAH

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry NC-37510 which occurred at Bryce Canyon, Utah, on October 24, 1947.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be reconvened on Wednesday, December 17, 1947, at 9:00 a. m. (p. s. t.) in the Chase Hotel, 1725 Ocean Front, Santa Monica, California.

Dated at Washington, D. C., December 8, 1947.

[SEAL]

W. K. Andrews, Presiding Officer

[F. R. Doc. 47-10906; Filed, Dec. 11, 1947; 8:48 a. m.]

[Docket No. SA-156]

ACCIDENT AT GALLUP, N. MEX.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry NC-90741 which occurred at Gallup, New Mexico, on November 11, 1947.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Monday, December 15, 1947, at 9:00 a. m. (p. s. t.) in the Chase Hotel, 1725 Ocean Front, Santa Monica, California.

Dated at Washington, D. C., December 8, 1947.

[SEAL]

W K. Andrews, Presiding Officer.

[F. R. Doc. 47-10907; Filed, Dec. 11, 1947; 8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-863]

MISSISSIPPI RIVER FUEL CORP.

NOTICE OF FINAL DECISION AND ORDER

DECEMBER 8, 1947.

Notice is hereby given that the initial decision and order issuing a certificate of public convenience and necessity in the above-designated matter was issued and served upon all parties on November 10, 1947. No exceptions thereto having been filed or review initiated by the Commission, said initial decision, in conformity with the Commission's rules of practice and procedure, became effective on December 8, 1947, as the final decision and order of the Commission.

[SEAL]

J. H. GUTRIDE, Acting Secretary.

[F. R. Doc. 47-10911; Filed, Dec. 11, 1947; 8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[S. O. 396, Special Permit 363]

RECONSIGNMENT OF POTATOES AT PHILADELPHIA, PA.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F R. 15008), permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 incofar as it applies to the reconsignment at Engleside Station, Philadelphia, Pa., December 4, 1947, by American Stores, of car URT 1515, potatoes, now on the PRR to American Stores, Wilkes-Barre, Pa.

The waybill shall show reference to

this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December 1947.

Honur C. Kuig,
Director
Bureau of Service.

[F. R. Doc. 47–10926; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 398, Special Permit 370]

RECONSIGNMENT OF ONIONS AT BALTIMORE, MD.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15003) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Baltimore, Canton, Md., December 4, 1947, by Schley Bros., of car ART 17326, onions, now on the B&O to Simon Siegel, Philadelphia, Pa. (B&O)

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Liqued at Washington, D. C., this 4th day of December 1947.

Homen C. King, Director Bureau of Service.

[P. R. D3c. 47-10327; Filed, Dec. 11, 1947; 8:43 a. m.]

[S. O. 336, Special Permit 371]

RECONSIGNMENT OF ONIONS AT CHICAGO,

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 395 (10 F. R. 15903), permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Wood Street, Chicago, Ill., December 4, 1947, by National Produce Co., of car NWK 8933, onlons, now on the CNW to Schley Bros., Baltimore (BLO).

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December 1947.

Horsen C. King, Director, Bureau of Service.

[F. R. Doc. 47-16323; Filed, Dec. 11, 1947; 8:48 a. m.]

[S. O. 333, Special Fermit 372]

RECONSIGNMENT OF SPENACH AT ST. LOUIS, Mo.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 336 (10 F. R. 15003) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 336 insofar as it applies to the reconsignment at St. Louis, Mo., December 4, 1947, by Atlantic Commission Co., of car PFE 75742, spinach, now on the StLSW to Jersey City, N. J.

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to

the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December 1947.

Homer C. King,

Director

Bureau of Service.

[F. R. Doc. 47-10929; Filed, Dec. 11, 1947; 8:48 a. m.]

[S. O. 396, Special Permit 373]

RECONSIGNMENT OF TOMATOES AT PHILADELPHIA. PA.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Philadelphia, Pa., December 4, 1947, by H. Rothstein, of car PFE 52721, tomatoes, now on the PRR to Strazzulla Bros., Boston, Mass.

The waybill shall show reference to

this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December 1947.

Homer C. King,
Director
Bureau of Service.

[F. R. Doc. 47-10930; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 396, Special Permit 374]

RECONSIGNMENT OF LEMONS AT PHILADELPHIA, PA.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Philadelphia, Pa., December 5, 1947, by Pape, of car SFRD 31452, lemons, now on the Pennsylvania RR to C. H. Robinson, Boston, Mass. (NH)

The waybill shall show reference to this

special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 5th day of December 1947.

Homer C. King,
Director
Bureau of Service.

[F. R. Doc. 47-10931; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 396, Special Permit 375]

RECONSIGNMENT OF CAULIFLOWER AT CHICAGO, ILL.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Chicago, Chicago Produce Terminal, Chicago, Ill., December 5, 1947, by Garabaldi & Cuneo, of car RD 24002, cauliflower, now on the Chicago Produce Terminal to Leon Fruit Co. Buffalo, N. Y. (NKP)

Co., Buffalo, N. Y. (NKP)

The waybill shall show reference to

this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 5th day of December 1947.

Homer C. King,
Director,
Bureau of Service.

[F. R. Doc. 47-10932; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 790, Amdt. 2 to Corr. Special Directive 1]

PENNSYLVANIA RAILROAD CO. TO FURNISH CARS FOR RAILROAD COAL SUPPLY

Upon further consideration of the provisions of Special Directive No. 1 (12 F. R. 7950) under Service Order No. 790 (12 F. R. 7791), and good cause appearing therefor:

It is ordered, That Special Directive No. 1, be, and it is hereby amended by adding to Appendix A of Amendment No. 1 the following:

| Cars | Mine: per day | Balbo______ 2 | Ella ______ 2

A copy of this amendment shall be served upon The Pennsylvania Railroad Company and notice of this amendment shall be given the public by depositing a copy in the office of the Secretary of the Commission, Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Issued at Washington, D. C., this 5th day of December A. D. 1947.

Homer C. King, Director, Bureau of Service.

[F. R. Doc. 47-10933; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 790, Amdt. 1 to Special Directive 5]
PITTSBURG & SHAWMUT CO. TO FURNISH
CARS FOR RAILROAD COAL SUPPLY

Upon further consideration of the provisions of Special Directive No. 5 (12 F. R. 7952) under Service Order No. 790 (12 F. R. 7791) and good cause appearing therefor:

It is ordered, That Special Directive No. 5, be, and it is hereby amended by substituting paragraph (1) hereof for paragraph (1) thereof.

(1) To furnish to the mines listed below cars for the loading of Pennsylvania Railroad fuel coal in the number specified from its total available supply of cars suitable for the transportation of coal:

200-	Cars		
Mino	Per day	Per week	
Fairview	} 1 10	**********	

A copy of this amendment shall be served upon The Pittsburg & Shawmut Railroad Company and notice of this amendment shall be given the public by depositing a copy in the office of the Secretary of the Commission, Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December A. D. 1947.

Homer C. King,
Director,
Bureau of Service.

[F. R. Doc. 47-10934; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 790, Amdt. 2 to Special Directive 6]

MONONGAHELA RAILWAY CO. TO FURNISH CARS FOR RAILROAD COAL SUPPLY

Upon further consideration of the provisions of Special Directive No. 6 (12 F R. 7952) under Service Order No. 790 (12 F. R. 7791) and good cause appearing therefor:

It is ordered, That Special Directive No. 6, be, and it is hereby amended by substituting paragraph (1) hereof for paragraph (1) thereof.

(1) To furnish to the mines listed below cars for the loading of Pennsylvania Railroad fuel coal in the number specified from its total available supply of cars suitable for the transportation of coal:

76	Cars		
Mine	Per day	Perweck	
Brock and National. Byrne 2. Christopher 2 and 3. Dilliner. Jamison H. LaBelle-Old La Belle. Love 4. Martin 2. Pursglove 2. Rosedale 1 and 2, Mon. Whiteley. Cathey-Luxnor. Booth.	11 22 4 3 23 23 13 5 22	3	

A copy of this special directive shall be served upon The Monongahela Railway Company and notice of this directive shall be given the public by depositing a copy in the office of the Secretary of the Commission, Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Issued at Washington, D. C., this 5th day of December A. D. 1947.

Homer C. King,
Director
Bureau of Service.

[F. R. Doc. 47-10935; Filed, Dec. 11, 1947; 8:49 a. m.]

[S. O. 790, Amdt. 1 to Corr. Special Director 10]

BALTIMORE AND OHIO RAILROAD CO. TO FURNISH CARS FOR RAILROAD COAL SUP-PLY

Upon further consideration of the provisions of Special Directive No. 10 (12 F. R. 7953) under Service Order 790 (12 F. R. 7791) and good cause appearing therefor:

It is ordered, That Special Directive No. 10, be, and it is hereby amended by substituting paragraph (1) hereof for paragraph (1) thereof.

(1) To furnish daily to the mines listed below cars for the loading of The Washington Terminal Company fuel coal in the number specified from its total available supply of cars suitable for the transportation of coal:

14 mit	OEI
Mine: of c	ars
Big Vein (Cramblitt Mine No. 1)	1
Consolidation, Nos. 119 and 120	5
Jerome	3
Ponfeigh 1 and 2	1
Estep No. 3	2

A copy of this amendment shall be served upon The Baltimore and Ohio Railroad Company and notice of this amendment shall be given the public by depositing a copy in the office of the Secretary of the Commission, Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December A. D. 1947.

Homer C. King,
Director,
Bureau of Service.

[F. R. Doc. 47-10936; Filed, Dec. 11, 1947; 8:50 a. m.]

[S. O. 739, Amdt. 1 to Special Directive 16] Monongahela Railway Co. To Furnish Cars for Railroad Coal Supply

Upon further consideration of the provisions of Special Directive No. 16 (12 F R. 7972) under Service Order No. 780 (12 F R. 7791) and good cause appearing therefor:

It is ordered, That Special Directive No. 16, be, and it is hereby amended by substituting paragraph (1) hereof for paragraph (1) thereof.

(1) To furnish daily to the mines listed below cars for the loading of The New York Central Railroad fuel coal in the number specified from its total available supply of cars suitable for the transportation of coal:

Mine:	of cara
Booth	1
Pursuove no. 10	40
Arkright Pureglove No. 2	1 42
Pursglove No. 2	
Federal Nos. 1 and 3	13
Christopher Nes. 2 and 3	7
Brock	5
Bunker	9
Dillinger	
Nassar Nos. 2 and 4	
Byrne No. 2	2
Martin No. 2	

A copy of this amendment shall be served upon The Monongahela Railway Company and notice of this amendment shall be given the public by depositing a copy in the office of the Secretary of the Commission, Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Issued at Washington, D. C., this 4th day of December A. D. 1947.

Homer C. King,
Director,
Bureau of Service.

[F. R. Dec. 47-10937; Fried, Dec. 11, 1917; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 30-215, 39-216]

MIDLAND REALIZATION Co. AND MIDLAND UTILITIES Co.

FINDINGS AND ORDER GRANTING APPLICATIONS

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pennsylvania, on the 4th day of December 1947.

Midland Realization Company, a registered holding company, and its former subsidiary, Midland Utilities Company, also a registered holding company, having filed applications pursuant to section 5 (d) of the Public Utility Holding Company Act of 1935 ("act"), reciting, among other things, that on or about March 29, 1946, Midland Realization Company and its then subsidiary company, Midland Utilities Company, each filed a notice of registration under section 5 (a) of the act; that at that time the only subsidiary of Midland Realization Company was Midland Utilities Company; that at the same date, the only public utility subsidiary companies of Midland Utilities

Company were (a) Northern Indiana Public Service Company, and (b) Indiana Service Corporation; that on Auguat 26, 1946, Midland Utilities Company distributed 2,154,395 shares of the commen stock of Northern Indiana Public Service Company and retained 54,395 shares of such common stock; that by virtue of such distribution, Midland Realization Company obtained 1,269,030 shares of such common stock, and simultaneously therewith, distributed to its shareholders 1,032,7371/4 shares and retained 177,262% shares of such stock; that on March 17, 1947, each of the applicants respectively sold all the shares of common stock of Northern Indiana Public Service Company then owned by them; that on June 30, 1947, Midland Utilities Company sold all of its shares of the reclassified capital stock of Indiana Service Corporation; that as a result, Midland Utilities Company has no further interest of any land or character in Indiana Service Corporation; and that Midland Realization Company has requested that the Commission find and declare by order that it has ceased to be a holding company and that Midland Utilities Company has requested that the Commission find that it has ceased to be a holding company in all respects except that it shall continue to be a registered holding company solely for the purpose of filing an amendment to the plan of corporate simplification for Indiana Service Corporation, File No. 54-137, if it should desire or be required to do so, in connection with the provisions of said plan relating to the distribution of unclaimed funds; and

The Commission finding that Midland Realization Company has ceased to be a holding company and that its registration as a holding company should cease to be in effect and that it is not necessary to impose any terms and conditions for the protection of investors in connection with the termination of such registration; and

The Commission finding that Midland Utilities Company has ceased to be a holding company and that it is not necessary to impose any terms or conditions for the protection of investors in connection with termination of such registration except that it shall continue to be a registered holding company solely for the purpose of filing an amendment to the plan of corporate simplification for Indiana Service Corporation, File No. 54–137, if it should desire or be required to do so:

It is ordered and declared, That Midland Realization Company has ceased to be a holding company and the registration of Midland Realization Company as a holding company shall from the date of the entry of this order cease to be effective:

It is further ordered and declared, That Midland Utilities Company has ceased to be a holding company and that the registration of Midland Utilities Company as a holding company shall from the date of the entry of this order cease to be effective in all respects except that it shall continue to be a registered holding company solely for the purpose of filing an amendment to the plan of corporate simplification for Indiana

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Service Corporation, File No. 54-137, if it should desire or be required to do so.

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 47-10923; Filed, Dec. 11, 1947; 8:52 a. m.]

[File No. 50-26]

NORTH CONTINENT UTILITIES CORP.

ORDER GRANTING EXEMPTION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pa., on the 5th day of December A. D. 1947.

North Continent Utilities Corporation

North Continent Utilities Corporation ("North Continent") a registered holding company, having filed an application pursuant to Rule U-100 of the general rules and regulations promulgated under the Public Utility Holding Company Act of 1935, for exemption from the requirements of Rule U-42 thereof, with respect to certain accounting entries which were entered upon its books as of July 1, 1947 giving effect to the following transactions:

(a) The crediting of \$278,853.21 owed by North Continent to Denver Ice and Cold Storage Company, its wholly owned non-utility subsidiary, against an unpaid balance of \$296,117.85 owed to North Continent by Denver Ice and Cold Storage Company on a promissory note.

(b) The crediting of \$12,000 owed by North Continent to Western Railways Ice Company, a wholly owned subsidiary of Denver Ice and Cold Storage Company, a non-utility, against the unpaid balance of \$249,750, owed by Western Railways Ice Company to North Continent on a promissory note.

(c) The application of \$64,638.92 owed to North Continent by Elk River Power- and Light Company, its wholly owned public utility subsidiary now in the process of liquidation, against \$81,630.55 owed by North Continent to Elk River Power

and Light Company and

It appearing to the Commission that it is not necessary or appropriate in the public interest or for the protection of investors or consumers that such transactions be subject to the requirements of Rule U-42;

It is ordered, Pursuant to the provisions of said Rule U-100 (a) that said application be, and hereby is, granted.

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary,

[F. R. Doc. 47-10912; Filed, Dec. 11, 1947; 8:50 a. m.]

[File No. 54-166]

COMMONWEALTH & SOUTHERN CORP. (DEL.) ET AL.

ORDER POSTPONING HEARING

At a regular session of the Securities and Exchange Commission held at its office in the city of Philadelphia, Pa. on the 5th day of December 1947.

In the matter of The Commonwealth & Southern Corporation (Delaware), The Commonwealth & Southern Corporation (New York), South Carolina Power Company, File No. 54–166.

The Commission having by order dated November 25, 1947 designated December 10, 1947 as the date for the commencement of the hearing with respect to the proposed sale by The Commonwealth & Southern Corporation (Delaware) of all of the outstanding common stock of one of its public utility subsidiaries, South Carolina Power Company, to the South Carolina Electric & Gas Company and with respect to certain related matters involving The Commonwealth & Southern Corporation (New York) and South Carolina Power Company.

The Commission deeming it appropriate for the convenience of all parties to adjourn said hearing:

It is hereby ordered, That the hearing in this matter scheduled for December 10, 1947 at 11:00 a.m., e.s. t., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania, be and hereby is, postponed to December 16, 1947, at the same hour and place.

It is further ordered, That William W. Swift, an officer of the Commission, be, and he hereby is, designated to preside at such hearing in the place and stead of, and with the same powers and duties as the officer heretofore designated to pre-

side at such hearing.

It is further ordered, That the time within which any person desiring to be heard or otherwise wishing to participate in this proceeding shall file his request therefor with the Secretary of the Commission, as provided by Rule XVII of the Commission's rules of practice, be, and the same hereby is, extended to December 12. 1947.

By the Commission,

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 47-10918; Filed, Dec. 11, 1947; 8:51 a. m.]

[File No. 70-1675]

COLUMBIA GAS & ELECTRIC CORP. AND OHIO FUEL GAS CO.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the city of Philadelphia, Pennsylvania on the 4th day of December 1947.

Columbia Gas & Electric Corporation ("Columbia") a registered holding company, and its wholly owned subsidiary, The Ohio Fuel Gas Company ("Ohio Fuel") having filed joint applications pursuant to sections 6 (b) 9, and 10 of the Public Utility Holding Company Act of 1935 with respect to the following transaction:

Ohio Fuel proposes to issue and sell at principal amount to Columbia \$7,000,000 principal amount of 3½% installment promissory notes which are to be payable in equal annual installments on August 15 of each of the years 1950 to 1974, inclusive. Ohio Fuel will utilize the pro-

ceeds to be realized from the proposed transaction for financing a portion of its construction expenditures estimated at \$12,048,000 for the year 1947. The construction program of Ohio Fuel is subject to the availability of materials and to other uncertainties by reason of which all of the funds required for the 1947 construction program may not be immediately required. Accordingly, it is proposed that Ohio Fuel will issue and sell its 3½% notes only to the extent and at such times as funds are required and that none of such notes will be issued and sold subsequent to March 1948

sold subsequent to March, 1948.

Such joint applications, having been duly filed, and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said joint applications within the period specified in said notice, or otherwise, and not having ordered a hearing thereon;

and

The Commission finding that the applicable requirements of the act are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that said joint applications be granted, and deeming it appropriate to grant a request of applicants that the order become effective at the earliest date possible:

It is hereby ordered, Pursuant to Rule U-23 and the applicable provisions of the act, and subject to the terms and conditions prescribed in Rule U-24, that the joint applications be, and the same hereby are, granted and the proposed transaction may be consummated forth-

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 47–10913; Filed, Dec. 11, 1947; 8:50 a. m.]

[File No. 70-1678]

NORTH AMERICAN LIGHT & POWER CO.

ORDER GRANTING APPLICATION AND PER-MITTING DECLARATION TO BECOME EF-FECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pa., on the 4th day of December A. D. 1947.

North American Light & Power Company ("Light & Power"), a registered holding company and a subsidiary of The North American Company, also a registered holding company, having filed an application-declaration and an amendment thereto pursuant to sections 10, 11 and 12 (d) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-23, U-44 and U-50 promulgated thereunder regarding the following proposed transactions:

Light & Power proposes to sell its holdings of 710,500 shares of Common Stock, of the par value of \$10 per share, of Northern Natural Gas Company ("Northern Natural") pursuant to the competitive bidding requirements of Rule U-50

promulgated under the act. The net proceeds from the sale of said 710,500 shares will be applied, together with certain other current assets of Light & Power, to the liquidation and retirement of its \$6 Preferred Stock held by others than The North American Company and in full satisfaction of all rights of the holders thereof.

The applicant-declarant states that said sale is necessary to carry out the orders of this Commission dated December 30, 1941 and June 25, 1947 (Holding Company Act Release Nos. 3233 and 7514) and the order dated November 6, 1947, of the United States District Court for the District of Delaware (In the Matter of North American Light & Power Company, The North American Company, et al., Civil Action No. 1033)

Light & Power also proposes to purchase on the New York Stock Exchange such number of shares of Common Stock of Northern Natural as it may deem necessary or appropriate to stabilize the price of such stock on such Exchange during the period commencing at 10:00 a. m. on the day fixed for the opening of bids for the purchase of the 710,500 shares of Common Stock of Northern Natural and ending at the time of an acceptance of a bid or the rejection of all bids, and to sell on said Exchange any shares so purchased as soon as practicable after the consummation of the sale of the 710,500 shares of Common Stock of Northern Natural.

The applicant-declarant states that no State Commission has jurisdiction over the proposed transactions.

Said application-declaration having been filed on November 14, 1947, and Notice of Filing having been duly given in the manner and form prescribed by Rule U-23 promulgated pursuant to said act, and an amendment thereto having been filed on December 3, 1947, and the Commission not having received a request for a hearing with respect to said application-declaration within the time specified in said Notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said application-declaration, as amended, that the requirements of the applicable provisions of the act and the rules and regulations promulgated thereunder are satisfied and that no adverse findings are necessary thereunder, and deeming it appropriate in the public interest and in the interest of investors and consumers that said application-declaration, as amended be granted and permitted to become effective, subject to certain reservations of jurisdiction; and

The applicant-declarant having requested that the Commission's order herein conform to the requirements of Supplement R of Chapter I and section 1808 (f) of Chapter II of the Internal Revenue Code, as amended, and that it become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the Public Utility Holding Company Act of 1935 that said application-declaration, as amended, be, and the same hereby is, granted and permitted to become effective forthwith, subject to the terms and

conditions prescribed in Rule U-24, and

subject to the further condition that the proposed sale of Common Steck of Northern Natural by Light & Power shall not be consummated until the results of competitive bidding pursuant to Rule U-50 have been made a matter of record herein and a further order shall have been entered with respect thereto, which order shall contain such further terms and conditions as may then be deemed appropriate, for which purpose jurisdiction is hereby reserved.

It is further ordered, That jurisdiction be, and the same hereby is, reserved over the payment of fees of counsel for Light & Power, fees of accountants, fees of engineer and fees and expenses of counsel for the successful bidder in connection with the proposed transactions.

It is further ordered and recited and the Commission finds, That (a) the proposed sale and transfer of 710,500 shares of the Northern Natural Gas Company Common Stock (represented by Certificate Nos. TB7 for 375,492 shares, TB3 for 255,437 shares, TB9 for 69,071 shares and TB10 for 10,500 shares) by North American Light & Power Company, and (b) the proposed expenditure by North American Light & Power Company of the proceeds, after payment of expenses of sale, for the retirement and liquidation of the 109,255 shares of its outstanding \$6 Preferred Stock held by stockholders other than The North American Company and the distribution of such proceeds in cancellation of the rights of such stockholders, as authorized or permitted by this order, are necessary or appropriate to the integration or simplification of the holding company system of which North American Light & Power Company is a member and are necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of

By the Commission.

[SEAL] ORVAL L. DoBois, Sceretary.

[F. R. Dec. 47-10914; Filed, Dec. 11, 1947; 8:50 a. m.]

[File No. 70-1632] United Corp.

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pennsylvania on the 5th day of December 1947.

Notice is hereby given that an application has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by The United Corporation ("United") a registered holding company. The applicant designates section 10 of the act as applicable to the proposed transaction.

Notice is further given that any interested person may, not later than December 19, 1947, at 5:30 p.m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said application pro-

perced to be controverted, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania. At any time after December 19, 1947, said application, as filed or as amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rule U-20 (a) and U-100 thereof.

All interested persons are referred to said application which is on file in the office of this Commission for a statement of the transaction therein proposed, which is summarized as follows:

The Cincinnati Gas & Electric Company ("Cincinnati") a subsidiary of United, has pending before the Commission an application with respect to the issue and sale to the holders of its common stock; of 204,000 additional shares of such stock (File No. 70-1633; Holding Company Act Release No. 7858) Cincinnati proposes to offer such shares of additional common stock by distribution to its common stockholders, in accordance with their preemptive rights. transferable warrants evidencing the right of such stockholders to purchase one full share of such additional stock for each ten shares held, the offering price per share of such stock to be set by Cincinnati at a later date.

United, as the owner of 319,976 shares of common stock of Cincinnati, proposes to purchase 31,937 shares of such additional common stock, provided such a purchase shall, at the time the warrants are issued, be deemed advisable by the Board of Directors of United.

It is requested that the Commission's order granting the application of United be issued at the time that Commission action is taken upon the application filed by Cincinnati for approval of the issue and sale of the additional shares of common stock of Cincinnati, and that it shall be effective forthwith.

By the Commission.

[STAL] ORVAL L. DUBOIS, Secretary.

[F. E. Dac. 47-10320; Filed, Dec. 11, 1947; 8:51 a. m.]

[File No. 70-1633]

Umon Colliner Co.

MOTION PROAPDING FILEIG

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pa., on the 5th day of December 1947.

Notice is hereby given that an application has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Umon Colliery Company, an indirect subsidiary of Umon Electric Company of Missouri, a registered holding company. Applicant has designated section 6 of the act and Rules U-59 (a) (2) and (a) (4) as applicable to the proposed transactions.

Notice is further given that any interested person may not later than De8356 NOTICES

cember 22, 1947 at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest and the issues of fact or law raised by said application which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter, said application, as filed or as amended, may be granted, as provided in Rule U-23 of the rules and regulations promulgated pursuant to said act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rule U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania,

All interested persons are referred to said application which is on file in the office of the said Commission, for a statement of the transactions therein proposed, which are summarized as follows:

Union Colliery Company proposes to enter into an agreement with the First National Bank in St. Louis, St. Louis, Missouri, the holder of its outstanding promissory notes, aggregating \$1,000,000 in face amount, bearing interest at the rate of 2% per annum and maturing in installments from December 31, 1947, to December 31, 1951, for the purpose of extending the date on which the first installment (\$300,000) is due on said notes. Said agreement, dated November 26, 1947, provides for the extension of the date on which the first installment is due from December 31, 1947 to September 30, 1948.

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 47-10921; Filed, Dec. 11, 1947; 8:52 a. m.]

[File No. 70-1696]

COLUMBIA GAS & ELECTRIC CORP. AND NATURAL GAS CO. OF WEST VIRGINIA

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Pennsylvania, on the 5th day of December 1947.

Notice is hereby given that a joint application-declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Columbia Gas & Electric Corporation ("Columbia") a registered holding company, and its subsidiary, Natural Gas Company of West Virginia ("Natural Gas") Applicants-declarants have designated sections 6, 7, 9 and 10 of the act as applicable to the proposed transaction.

Notice is further given that any interested person may, not later than December 19, 1947, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said application-

declaration proposed to be controverted, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania. At any time after December 19, 1947, said application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rule U-20 (a) and U-100 thereof.

All interested persons are referred to said application-declaration which is on file in the office of this Commission for a statement of the transaction therein proposed, which is summarized as follows:

Natural Gas, all of whose outstanding securities are owned by Columbia, proposes to issue and sell to the latter \$200,000 principal amount of 3½% Installment Promissory Notes. Such notes are to be unsecured and are to be paid in equal annual installments on August 15 of each of the years from 1950 to 1974, inclusive.

It is stated that the proceeds to be obtained through the issue and sale of said notes will be utilized by Natural Gas m connection with its construction program. It is further stated that since cash is currently required by Natural Gas in connection with its construction program, Columbia made a non-interest bearing advance of \$200,000 to Natural Gas on November 14, 1947, pursuant to Rule U-45 (b) (3) of the rules and regulations promulgated under the act, and it is proposed that as soon as necessary orders of regulatory commissions have been received with respect to the issue and sale of \$200,000 principal amount of 31/4% notes, that such notes will be sold by Natural Gas to Columbia and that the proceeds therefrom will be used by Natural Gas to return to Columbia the amount temporarily advanced.

Natural Gas has filed an application with the Public Service Commission of West Virginia with respect to the issue and sale of the 3½%, notes and a copy of the order to be issued by said Commission will be supplied by amendment.

It is requested that the Commission's order granting and permitting the joint application-declaration to become effective be issued as soon as possible and that it shall be effective forthwith.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F. R. Doc. 47-10919; Filed, Dec. 11, 1947; 8:51 a. m.]

[File No. 70-1697]

COLUMBIA GAS & ELECTRIC CORP. AND KEYSTONE GAS CO., INC.

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Philadelphia, Fennsylvania, on the 5th day of December 1947.

Notice is hereby given that a joint application-declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Columbia Gas & Electric Corporation ("Columbia"), a registered holding company, and its subsidiary, The Keystone Gas Company, Inc., ("Keystone") Applicants-declarants have designated sections 6, 7, 9 and 10 of the act as applicable to the proposed transaction.

Notice is further given that any interested person may, not later than December 22, 1947, at 5:30 p. m., c. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said application-declaration proposed to be controverted, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvama. At any time after December 22, 1947, said application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rule U-20 (a) and U-100 thereof.

All interested persons are referred to said application-declaration which is on file in the office of this Commission for a statement of the transaction therein proposed, which is summarized as follows:

Keystone, all of whose outstanding securities are owned by Columbia, proposes to issue and sell to the latter \$350,000 principal amount of 31/4% Installment Promissory Notes. Such notes are to be unsecured and are to be paid in equal annual installments on August 15 of each of the years from 1950 to 1974, inclusive.

It is stated that the proceeds to be obtained through the issue and sale of said notes will be utilized by Keystone in connection with its construction program. It is further stated that to supply the cash required by Keystone in connection with its construction program, Columbia made two non-interest bearing advances to Keystone of \$150,000 each on September 17, 1947, and October 30, 1947, pursuant to Rule U-45 (b) (3) of the rules and regulations promulgated under the act and it is proposed that as soon as necessary orders of regulatory commissions have been received with respect to the proposed transaction, \$300,000 of the proceeds from such 31/4% notes will be used by Keystone to repay Columbia the amount temporarily advanced.

Keystone has filed an application with the Public Service Commission of New York with respect to the issue and sale of the 34% notes and a copy of the order to be issued by said Commission will be supplied by amendment.

It is requested that the Commission's order granting and permitting the joint application-declaration to become effec-

tive be issued as soon as possible and that it shall be effective forthwith.

By the Commission.

[SEAL]

ORVAL L. DuBois, Secretary.

[F. R. Doc. 47-10922; Filed, Dec. 11, 1947; 8:52 a. m.]

[File No. 811–491]
AUTOMATIC PRODUCTS CORP.
NOTICE OF APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the city of Philadelphia, Pa., on the 5th day of December A. D. 1947.

Notice is hereby given that Automatic Products Corporation ("Automatic") a registered investment company, has filed an application pursuant to sections 8 (f) 3 (b) (2) and 6 (c) of the Investment Company Act of 1940 for either an order of the Commission under section 8 (f) declaring that Automatic has ceased to be an investment company within the meaning of the act, or in the alternative for an order under section 3 (b) (2) declaring that Automatic is primarily engaged directly or through majorityowned subsidiaries in a business or businesses other than that of investing, reinvesting, owning, holding or trading in securities, or in the alternative for an order under section 6 (c) for an order exempting Automatic from all of the provisions of said act.

It appears from the application that Automatic has outstanding one class of stock which is registered on the New York Curb Exchange; that Automatic is controlled by Allied International Investing Corporation which in turn is controlled by British Type Investors, Inc., both registered investment companies; that Automatic registered as an investment company on October 26, 1944, because the value of its investment in Majestic Radio & Television Corporation exceeded 40 per cent of the value of its total assets in accordance with section 3 (a) (3) of said act; that Automatic on May 16, 1947, merged with its majorityowned subsidiary, Mercury Clutch Corporation, and is now engaged directly in the manufacture, assembly and sale of mercury clutches through its Mercury Clutch Division; that Automatic is engaged through its wholly-owned subsid-12ry, Spun Steel Corporation, in the manufacture and sale of spun steel pulleys, automobile jacks and miscellaneous pressed, drawn, brazed and machined steel articles and will be directly so engaged when the contemplated merger with Spun Steel Corporation is effected in the near future; that Automatic's investment in Majestic Radio & Television Corporation is now valued in accordance with said section 3 (a) (3) at approximately 17 per cent of its total assets and will be eventually liquidated as well as its investment in The Chatfield-Clarke Company and its loan to Deane L.

Conklin.

It further appears from the application that at a duly convened special meeting held on November 25, 1947, the stockholders of Automatic voted (a) to change its name to Automatic Steel

Products, Inc., (b) to delete from its certificate of incorporation subparagraphs (1) and (2) of subdivision third of Article II relating to acquisition and disposal of securities, (c) to revoke the statements of investment policy contained in its registration statement on Form N-8B-1 under said act, (d) to change the nature of its business so that it shall cease to be an investment company and shall henceforth be primarily engaged, directly or through majorityowned subsidiaries, in the business of producing, manufacturing and selling steel and other products, and (e) to ratify the action of its board of directors in preparing and filing the instant application; and that a certificate of amend-ment of its certificate of incorporation was duly filed with the Secretary of State of the State of Delaware on November 26, 1947, with respect to the aforesaid change of name and deletion from its certificate of incorporation.

For a more detailed statement of the matters of fact and law ascerted, all persons are referred to said application which is on file in the offices of the Commission in Philadelphia, Pennsylvania.

Notice is further given that an order granting the application, in whole or in part and upon such conditions as the Commission may see fit to impose, may be issued by the Commission at any time after December 17, 1947, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in Rule N-5 of the rules and resulations promulgated under the act. Any interested person may, not later than December 12, 1947, at 5:30 p. m., in writing submit to the Commission his views or any additional facts bearing upon this application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania, and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Sceretary.

[F. R. Dec. 47-10917; Filed, Dec. 11, 1947; 8:51 a. m.]

[File No. 812-521]

Bankers Security Life Insurance Society et al.

NOTICE OF APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the city of Philadelphia, Pa. on the 5th day of December A. D. 1947.

In the matter of Bankers Security Life Insurance Society, American General Corporation, and Industrial Bank of Schenectady, File No. 812-521.

Notice is hereby given that Bankers Security Life Insurance Society (Society) has filed an application pursuant to sec-

tion 17 (b) of the Investment Company Act of 1949 for an order exempting from the provisions of section 17 (a) of the act a transaction in which Society proposes to purchase from Industrial Bank of Schenectady (Bank) any or all of twentyfour first mortgages on residential real estate located in or near the City of Schenectady, New York, at a price equal to the unpaid principal balance of the bonds secured by said mortgages and the accumulated and unpaid interest thereon at the rate called for in each related bond and mortgage, which purchase price is estimated to be approximately \$110,000. The mortgages were created at various dates in the period from October 14, 1943 to June 17, 1947, for terms ranging from 5 to 15 years. Twenty-two of the mortgages bear interest at the rate of 5% and two bear interest at the rate of 412%. None of the mortgages created a debt in excess of % of the appraised valuation of the mortgaged real estate. All of the mortgages provide for repayment of principal and interest in approximately equal monthly payments over the term of the mortgage. Society proposes to permit the Bank to continue to service the mortgages and to retain as compensation for its servicing activities the interest income on the mortgages in excess of 4% per annum.

Society and Bank are controlled by The Morris Plan Corporation of America, which company is in turn controlled by American General Corporation, a registered investment company. Since Society and the Bank are indirectly controlled by a registered investment company, Society may not purchase the mortgages from the Bank, nor may the Bank sell such mortgages to Society, by reason of the provisions of section 17 (a) of the act.

All interested persons are referred to said application, which is on file at the Philadelphia, Pennsylvania offices of this Commission, for a detailed statement of the matters of fact and law therein asserted.

Notice is further given that an order granting the application may be issued by the Commission at any time after December 22, 1947, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in Rule N-5 of the general rules and regulations promulgated under the act. Any interested person may, not later than December 19, 1947, at 5:30 p. m., submit to the Commission in writing his views or any additional facts bearing on this application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securties and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania, and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such a request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[Seal]

ORVAL L. DUBOIS, Secretary.

[F. R. Doc. 47-16916; Filed, Dec. 11, 1947; 8:51 a.m.] 8358 NOTICES

DEPARTMENT OF JUSTICE Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616, E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 10101]

EUNICE H. MICHAHELLES

In re: Rights of Eunice H. Michahelles under an insurance contract. File No. D-28-1944-H2.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Eunice H. Michahelles, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

designated enemy country (Germany)
2. That the net proceeds due or to become due under a contract of insurance evidenced by Policy No. 9093436 issued by the Prudential Insurance Company of America, Newark, New Jersey, to Georgina Balfour Harrah, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-10947; Filed, Dec. 11, 1947; 8:50 a. m.]

[Vesting Order 10103] WERNER ORLOPP

In re: Rights of Werner Orlopp under insurance contract. File No. F-28-23422-H-1.

Under the authority of the Trading with the Enemy Act, as amended, Execu-

tive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Werner Orlopp, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 183284, issued by the Standard Life Association, Lawrence, Kansas, to Curt Orlopp, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on December 13, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-10948; Filed, Dec. 11, 1947; 8:50 a. m.]

[Vesting Order 10106]

ELLY S. REHFELDT

In re: Rights of Elly S. Rehfeldt under insurance contract. File No. D-28-10351-H-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Elly S. Rehfeldt, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the net proceeds due or to become due under a contract of insurance evidenced by certificate No. 472811, issued by the Ben Hur Life Association, Crawfordsville, Indiana, to Frederick G. Steinhagen, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on

account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47–10949; Filed, Dec. 11, 1947; 8:50 a. m.]

> [Vesting Order 10114] YOSHI SUGAMURA

In re: Rights of Yoshi Sugamura under insurance contract. File No. F-39-4860-H-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Yoshi Sugamura whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan)

2. That the net proceeds due or to become due under a contract of insurance evidenced by Policy No. 77677 issued by the West Coast Life Insurance Co., San Francisco, California, to Yoshi Sugamura, together with the right to demand, receive, and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate

consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-10950; Filed, Dec. 11, 1947; 8:51 a. m.]

[Vesting Order 10115]
MICHI SUYAMA

In re: Rights of Mich Suyama under an insurance contract. File No. F-39-4863-H-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Michi Suyama, also known as Michi Nakayama Suyama, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan)

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 48027, issued by the West Coast Life Insurance Company, San Francisco, California to Misao Suyama, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owning to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have

the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,

Assistant Attorney General,

Director Office of Alien Property.

[F. R. Doc. 47-10951; Filed, Dec. 11, 1947; 8:51 a. m.] [Vesting Order 10200]
FRANZ BOEHME ET AL.

In re: Stock owned by Franz Boehme and others. D-66-2424-D-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the persons whose names and last known addresses are:

Name	Address	OAP File No.
Franz Bochme Kurt Bochme Sibylle Frank also known as Sibylle Schoenberger Frank Richard W. P. Frank Dr. Herbert Frank Herta Schwatlo, also known as Herta Forto Schwatlo, Gunter Forte	Gruencwalderstrasto 27-1, Berlin-Stell-litz, Germany, Gastwirtschaft Matz, Stelk bischleswig, Germany, Weldigen Weg. 61, Berlin Lichterfehle West, Ger- many, Wilkerstrasse 23, Koln-Bruck, Germany, Wilkerstrasse 23, Koln-Bruck, Germany, I'a Nuruberg, Kerchenweg 24, Bavaria, Germany, 22a Helligenhaus Bez., Duweldorf, Parkstr., Germany.	F-23-19161-D-1, F-23-19162-D-1, F-23-2936-D-1, F-23-2933-D-1, F-23-19160-D-1, F-23-19160-D-1,

are residents of Germany and nationals of a designated enemy-country (Germany)

2. That the property described as follows: Sixteen (16) shares of \$100.00 par value common capital stock of Forest Home Cemetery Company of Chicago, Desplaines Avenue & Harvard Street, Forest Park, Illinois, a corporation organized under the laws of the State of Illinois, evidenced by the certificates registered in the names of the persons listed below, said certificates numbered and in the amounts appearing opposite each name as follows:

Registered owner	Certifi- cate No.	Number of shares
Mrs. Elsbeth Forte, deceased	20 70 72 73	4 4 2
Dr. Herbert Frank, guardian Dr. Herbert Frank	91 90	134 34

together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Herta Schwatlo, also known as Herta Forte Schwatlo, Gunter Forte, Franz Boehme, Kurt Boehme, Sibylle Frank also known as Sibylle Schoenberger Frank, Richard W. P. Frank and Dr. Herbert Frank, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 19, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-10352; Filed, Dec. 11, 1947; 8:51 a. m.]

[Vesting Order 10107] MOLLY REIGELMAN

In re: Estate of Molly Reigelman, also known as Amilie Regelmann, deceased. File No. D-28-11267; E. T. sec. 16529.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Maria Gauger, Fredericke Doderer and Wilhelm Doderer, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof in and to the estate of Molly Reigelman, also known as Amilie Regelmann, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany)

3. That such property is in the process of administration by Adolf Gauger and Emille Doderer, as co-administrators, acting under the judicial supervision of the Surrogate's Court of New York County, New York.

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the

national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used. administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, .D. C., on November 13, 1947.

For the Attorney General.

DAVID L. BAZELON. Assistant Attorney General, Director Office of Alien Property.

[F. R. Doc. 47-10898; Filed, Dec. 10, 1947; 8:47 a. m.]

[Vesting Order 10129]

WALTER HAGEN

In re: Stock owned by and debt owing to Walter Hagen. D-28-6708-A-1, D-28-6708-C-1, D-28-6708-D-1.
Under the authority of the Trading

with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law,

- after investigation, it is hereby found:
 1. That Walter Hagen, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany),
- 2. That the property described as follows:
- a. Five (5) shares of no par value common capital stock of National Dairy Products Corporation, 230 Park Avenue, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by certificate number CO-213730, registered in the name of Walter Hagen and presently in the custoday of Sheffield Farms Company, Inc., 524 West 57th Street, New York, New York, together with all declared and unpaid dividends thereon, and

b. That certain debt or other obligation owing to Walter Hagen by Sheffield Farms Company, Inc., 524 West 57th Street, New York, New York, in the amount of \$175, as of December 31, 1945, together with any and all accruals thereto and any and all rights to demand.

enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the personnamed in subparagraph 1 hereof is not

within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

DAVID L. BAZELON. Assistant Attorney General. Director Office of Alien Property.

[F. R. Doc. 47-10900; Filed, Dec. 10, 1947; 8:47 a. m.]

[Vesting Order 10131]

YUKIHACHI HORITA

In re: Stock owned by Yukihachi Ho-F-39-5093-D-4, F-39-5093-A-1, F-39-5093-D-1, F-39-5093-D-2.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

- 1. That Yukihachi Horita, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan)
- 2. That the property described as follows:
- a. One hundred and twenty (120) shares of \$5.00 par value common capital stock of Electric Bond and Share Company, 2 Rector Street, New York 6, New York, a corporation organized under the laws of the State of New York, evidenced by certificates numbered TN331494 one hundred (100) shares, and TN0614079 for twenty (20) shares, reg-istered in the name of Yukihachi Horita, together with all declared and unpaid dividends thereon.
- b. Forty (40) shares of \$1.00 par value common capital stock of Rheem Manufacturing Company, Russ Building, San Francisco 4, California, a corporation organized under the laws of the State of California, evidenced by a certificate numbered SF013181, registered in the name of Yukihachi Horita, together with all declared and unpaid dividends thereon, as evidenced by certain dividend checks in the custody of American Trust Company, 464 California Street, San Francisco 20, California, and together with said dividend checks.
- c. Eighty (80) shares of \$1.00 per value new common capital stock of Tri-Continental Corporation, 65 Broadway, New York-6, New York, a corporation organized under the laws of the State of Mary-

land, evidenced by a certificate numbered NYCA089734, registered in the name of Yukihachi Horita, together with all declared and unpaid dividends thereon, and

d. Forty (40) shares of \$1.00 par value common capital stock of The Adams Express Company, 40 Wall Street, New York 5, New York, a corporation organized under the laws of the State of New York, evidenced by a certificate numbered N0125900, registered in the name of Yukihachi Horita, together with all declared and unpaid dividends thereon.

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national in-

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 13, 1947.

For the Attorney General.

DAVID L. BAZELON. Assistant Attorney General, Director, Office of Alien Property.

[F. R. Doc. 47-10901; Filed, Dec. 10, 1947; 8:48 a. m.]

[Vesting Order 10206] ANTONIE AND KARL ZELLER

In re: Stock and bank account owned by Antonie Zeller and Karl Zeller. F-28-24024-D-1/13.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law. after investigation, it is hereby found:

- 1. That Antonie Zeller and Karl Zeller. each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)
- 2. That the property described as follows:
- a. Those certain shares of stock described in Exhibit A, attached hereto and by reference made a part hereof, together with all declared and unpaid dividends thereon.

b. Seven (7) shares of \$33\\[^4_3\] par value capital stock of Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago, Illinois, evidenced by certificates numbered NLO 21378 for three (3) shares, 39382 for two (2) shares and NLO 15489 and 93872 for one (1) share each, registered in the name of Miss Pauline Zeller, together with all declared and unpaid dividends thereon,

c. One-fifth (1/5) share of \$331/3 par value capital stock of Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago, Illinois, arising out of a stock dividend declared, as of December 17, 1943, on certain of the shares of stock described in subparagraph 2b hereof, together with all declared and unpaid dividends on said one-fifth (1/5) share, and

d. That certain debt or other obligation of The Northern Trust Company, 50 South La Salle Street, Chicago, Illinois, arising out of a savings account, Account Number 386208, entitled Estate of Pauline Zeller, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Antonic Zeller and Karl Zeller, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not

within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 19, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZILON,
Assistant Attorney General,
Director Office of Alien Property.

Example A

Name of feming corporation feech corporation is erganzed under the laws of the State of Illicotic and the address of each is Room 600, 19 South La Salle St., Chicago 3, Ill.)	Decemption of steels	Cattle- cate No.	Number of shares	Name in which regultire I
Breedway and Brempton Place	\$75 par value common eterk.	103	ຄ	Pauline Zeller.
Building Corp. Eight Sixty-one Cornella Avenue	No par value commensies.	40	15	Estate of Pauline Zellin.
Building Corp. Fifty-five Eighteen Ellis Avenue	do	43	19	Do.
Building Corp. Gunderson-Twenty-excend Building	S75 par value professe latack.	174	5	Paulice Zeller.
Corp. Kelzie-North Avenue Building Corp. Nineteen Seventeen South Grovo	No par value commenciesk. SVI par value commenciesk	25 (9	20 20	Estate of Pauline Zeller.
Avenue Building Cerp. One-Thirty-Two East Avenue Build-	1	63	5	Pauline Z.IIIr.
ing Cerp. Sheridan Read and Chara Avenue		100	15	Estate of Pauline Zellur.
Building Corp. Sixty-one Forty-five Wintbrop Ave-		193	5	Pauline Zellin.
nue Building Corp. Twelve Thirty-three Greenleaf Ave-			5	D 0.
nue Building Carp. Twenty-five Thirteen Wincomes	do,	73	5	Дэ.
Avenue Building Corp. Twenty-second and Ridgeland Building Corp.		42	25	Estate of Pauline Zeller.

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